Daily Report

Central Eurasia

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

FBIS-SOV-94-202
Wednesday
19 October 1994

Daily Report
Central Eurasia

FBIS-SOV-94-202 *19 October 1994*

CONTENTS

NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

INTERREGIONAL AFFAIRS

ITAR-TASS Carries Press Review for 19 Oct 1

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin Addresses Dinner for UK Queen *[ITAR-TASS]* 2
Defense Minister Grachev, UK's Hurd Meet *[ITAR-TASS]* 2
Kozyrev To Meet Tariq 'Aziz at UN in New York *[INTERFAX]* 2
Kozyrev Meets UN Commission Chief Ekeus *[ITAR-TASS]* 3
No 'Contradictions' With U.S. on Gulf Policy *[ITAR-TASS]* 3
Says Differences 'Quite Natural' *[INTERFAX]* 4
Iraq's 'Aziz Claims Ratification Not Required *[INTERFAX]* 4
Foreign Ministry Spokesman on Cooperation With UN *[INTERFAX]* 4
Comment on Russia-U.S. Differences Over Iraq *[ITAR-TASS]* 5
Demurin Comments on Trip to Iraq, Kuwait *[ITAR-TASS]* 6
Kozyrev Hopes U.S. 'Will Learn Its Lesson' *[INTERFAX]* 6
Kozyrev Move Provokes Russia-West 'Crisis' *[IZVESTIYA 19 Oct]* 6
Yeltsin, Chancellor Kohl Discuss Cooperation *[ITAR-TASS]* 8
Kozyrev on Agreement on Bosnia Crisis *[ITAR-TASS]* 8
Zotov Named Envoy for Yugoslav Settlement *[ITAR-TASS]* 8
Mission to FYROM Upgraded to Embassy Status *[ROSSIYSKAYA GAZETA 18 Oct]* 8
Lithuanian Seimas Delegation Visits State Duma *[Vilnius Radio]* 9
Diplomat Says Kim Chong-il's Role 'Settled' *[ITAR-TASS]* 9
Coast Guard Fires Warning Shots at Japanese Vessels *[ITAR-TASS]* 10
Moscow 'Will Follow Closely' Haiti's Democracy Restoral *[INTERFAX]* 10
Kiev Requests Postponement of Treaty Talks *[INTERFAX]* 10
Rybkin Meets CSCE Official *[ITAR-TASS]* 10
Potapov Commentary on NATO Secretary General's Speech *[Moscow International]* 10
Official on Turkic-Language States' Summit *[ITAR-TASS]* 11
Specialists Cited on Missile Dismantling Progress *[KRASNAYA ZVEZDA 18 Oct]* 11

RUSSIA NATIONAL AFFAIRS

Political Issues

Chernomyrdin Reportedly Requests To Resign *[Moscow TV]* 13
ITAR-TASS Issues Denial 13
Further on Denial *[ITAR-TASS]* 13
Chernomyrdin Calls Story 'Ridiculous' *[ITAR-TASS]* 13
Resignation Rumor 'Political Provocation' *[Moscow TV]* 13
To Return to Moscow 19 Oct *[Moscow TV]* 13
Further Details of Return *[ITAR-TASS]* 13
Yeltsin Denies Rumors *[ITAR-TASS]* 14
Resignation Rumors Termed 'Canard' *[Radio Rossii]* 14
Stankevich Views Resignation Rumors *[London TV]* 14
Chernomyrdin Seen on Verge of Stepping Down *[SEGODNYA 19 Oct]* 14
Rybkin Says Chernomyrdin To Present Program *[ITAR-TASS]* 15
Grachev Denies Burlakov Involved in Murder *[ITAR-TASS]* 16

Burlakov Denies Corruption Allegations *[ITAR-TASS]* 16
Murder Seen as Defense Ministry Conspiracy *[MOSKOVSKIY KOMSOMOLETS 18 Oct]* 16
Opposition Said Not Seeking To Oust Cabinet *[IZVESTIYA 19 Oct]* 17
Travkin Moves To Regain Control of Defiant DPR Faction *[KOMMERSANT-DAILY 19 Oct]* 18

Economic Issues

Yeltsin Chairs Security Council Ruble Discussion *[INTERFAX]* 18
Press Service Describes Debate *[ITAR-TASS]* 19
Decisive Yeltsin Action After Ruble Crash Lauded *[ROSSIYSKIYE VESTI 19 Oct]* 19
Central Bank Spends Gigantic Sums To Back Ruble *[IZVESTIYA 19 Oct]* 20
Official Hails Central Bank Appointment *[ITAR-TASS]* 20
Yeltsin Orders Creation of Banking Council *[ITAR-TASS]* 20
Bankers Want Professional at Central Bank *[TRUD 18 Oct]* 21
M. Yuryev Quits Industrial Policy Council *[NOVAYA YEZHEDNEVNAYA GAZETA 18 Oct]* 21
Government To Take 'Tough Antiinflationary Steps' *[INTERFAX]* 21
1994 Oil Production To Be 21 Million Tonnes Below Plan *[SEGODNYA 18 Oct]* 22

Nuclear & Space Issues

Counterintelligence Service Confirms Uranium Seizure *[ITAR-TASS]* 22
Plans for Southern Space Center Aired *[Moscow TV]* 22

Federal Assembly

Duma Plenary Not To Discuss Gerashchenko Resignation *[ITAR-TASS]* 26
Duma Adopts Pension Fund Budget Law *[ROSSIYSKAYA GAZETA 18 Oct]* 26
Yeltsin Asked To Reconsider Oblast Dismissal *[ROSSIYSKAYA GAZETA 18 Oct]* 26

Regional Affairs

Dudayev Forces Launch Offensive 19 Oct *[ITAR-TASS]* 26
Further on Offensive Against Opposition *[ITAR-TASS]* 27
Dudayev Appeals To Opposition To Lay Down Arms *[ITAR-TASS]* 27
Altay Kray Grain Harvest Estimated at 3 Million Tonnes *[SELSKAYA ZHIZN 18 Oct]* 27
Shell To Drill for Oil in N. Krasnoyarsk Kray *[KOMSOMOLSKAYA PRAVDA 18 Oct]* 28

UKRAINE

International Affairs

Report on Clinton-Kuchma Telephone Conversation *[URYADOVYY KURYER 15 Oct]* 29
Defense Ministry Officials on Partnership for Peace *[UNIAR]* 29

National Affairs

Parliament Lifts Ban on Communist Party Activity *[ITAR-TASS]* 29
Deputies Protest Ban Lifting *[UNIAN]* 29
Kravchuk, Rukh Leader Comment *[UNIAN]* 30
Deputies Warn Kuchma on Chernobyl Issues *[HOLOS UKRAYINY 18 Oct]* 30
Chernobyl 3d Power Unit Halted Due To Damage *[Kiev Radio]* 31
Crimea's Meshkov Denies 'Shadow' Government *[UNIAN]* 31

WESTERN REGION

Belarus

Defense Minister on Withdrawal, Accusations *[ZVYAZDA 12 Oct]* 32
Privatization Minister on Denationalization *[ZVYAZDA 13 Oct]* 34

CENTRAL ASIA

Kazakhstan

Prime Minister Comments on Government Program *[Almaty Radio]* 38
Russian Paper Assesses Change of Government *[IZVESTIYA 15 Oct]* 38

Kyrgyzstan

Akayev, Turkish President Hold News Conference *[Bishkek Radio]* 39
Presidential Edict on Support for Private Enterprise *[Bishkek Radio]* 40

Tajikistan

Dushanbe, Moscow Sign Cooperation Agreement *[Dushanbe Radio]* 41
CIS Peacekeepers Not To Meddle in Elections *[ITAR-TASS]* 41
UN Mission Visits To Study Aid Needs *[Dushanbe Radio]* 41
Presidential Contender Abdulodzhanov Profiled *[Dushanbe Radio]* 41

Uzbekistan

Law on Underground Resources Published *[NARODNOYE SLOVO 13 Oct]* 42

CAUCASUS

Armenia

Azerbaijan Reportedly Violates Cease-Fire *[Yerevan Radio]* 51
Diplomatic Relations Established With Eritrea *[ARAGIL ELECTRONIC NEWS BULLETIN]* 51
Joint Russian Firm To Rebuild Nuclear Power Station *[ITAR-TASS]* 51
Developing Relations With Turkey Favored *[Ankara TV]* 51

Azerbaijan

Aliyev Leaves for Turkic Summit in Istanbul *[Baku TV]* 51
Aliyev on Destabilizing Forces, Coup Attempt *[INTERFAX]* 52
Fugitive Guseynov Thought To Be in Russia *[TURAN]* 52
Interior Minister Asks Help in Finding Guseynov *[Baku TV]* 52

Georgia

Defense Ministry Responds to 'Alternative' Doctrine *[KRASNAYA ZVEZDA 18 Oct]* 54
Russian Troops Begin Patrols of Kodor Gorge *[INTERFAX]* 54

BALTIC STATES

Estonia

Defense Minister, NATO Commander Meet *[BNS]* 55
Sweden To Aid Russian Military Departure *[BNS]* 55

Latvia

Ulmanis, Portuguese President Hold News Conference *[Riga Radio]* 55
Joint Statement Issued on Visit *[Riga Radio]* 56
Russia Gives Imprecise Information on Servicemen *[BNS]* 57
External Debt Reaches 175 Million Lats *[BNS]* 57
Future for Salaspils Nuclear Reactor Viewed *[DIENA 3 Oct]* 57

Lithuania

Brazauskas on Development of Polish Relations *[BNS]* 59
Current Issues Discussed With Poland *[Vilnius Radio]* 59
UN Commissioner States Human Rights Respected *[BNS]* 59
Government Discusses 1995 Budget, Expenditures *[BNS]* 60

ITAR-TASS Carries Press Review for 19 Oct

LD1910081294 Moscow ITAR-TASS in English 0631 GMT 19 Oct 94

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow October 19 TASS—Russian newspapers highlight reports about the second day of the visit of the British queen to Russia.

The TRUD daily says that "a state visit of the British queen does not have a political character, but, undoubtedly, shows that the relations between the two countries were raised to a qualitatively new level."

The Red Star [KRASNAYA ZVEZDA] daily writes that according to the results of public opinion polls, almost two thirds of our compatriots consider the queen' visit to be an important political event.

RABOCHAYA TRIBUNA carries an interview with the chairman of the federation council, Vladimir Shumeyko, who says that "civil war in Russia must be prevented." the publication of the interview with Shumeyko will be continued in the next issue.

KOMSOMOLSKAYA PRAVDA dwells on speculations concerning the resignation of Russian Prime Minister Viktor Chernomyrdin. The newspaper says that a regular session of the council of CIS heads of state will be held in Moscow on Friday. If Chernomyrdin does not appear in moscow by Friday, it means that the question of his resignation has been practically resolved.

ROSSISKAYA GAZETA writes that the fuel stock expected to be available in the country by October 1, has not reached the scheduled amount. The economics ministry says that the energy industry can provide enough heat and fuel to the country, but fuel consumers do not have enough money to pay for energy resources.

"The assassination of journalist Dmitriy Kholodov is a terrorist act against the freedom of speech," writes the IZVESTIYA daily. In connection with the assassination of the journalist killed by an explosive device installed inside a case, trud writes that it was "a bomb for journalists." (The journalist was killed at his work place. He was going to report to the State Duma that he has documents at his disposal about illegal sale of weapons and property belonging to the western group of russian troops. - TASS comment.)

Russian experts have completed an investigation into an air disaster when aerobus A-310 crashed near the town of Mezhdurechensk (Siberia) in March, 1994. IZVESTIYA writes that documents have confirmed that the 75 passengers on board the plane fell victim to a "child factor". Anyway, it was when pilot Kudrin was demonstrating to his son the technique of flying the plane that the plane went out of control and turned, which was overlooked by the crew, " the newspaper said.

In an article devoted to international affairs the IZVESTIYA daily writes that an initiative put forward by Russian diplomats has prevented a new war in the area of the Persian Gulf, but helped Saddam Husayn drive a wedge between Moscow and the West.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Yeltsin Addresses Dinner for UK Queen

LD1810183194 Moscow ITAR-TASS in English 1728 GMT 18 Oct 94

[By ITAR-TASS diplomatic correspondents]

[FBIS Transcribed Text] Moscow 18 Oct (TASS)—"Your visit has a deep symbolic meaning," Russian President Boris Yeltsin told Elizabeth the Second, queen of Great Britain and Northern Ireland, today at an official dinner in the Kremlin Faceted Chamber.

"It is a good sign of the fact thousand-years-old Russia becomes a democracy. This is a new evidence of friendly, partner relations between our states.

"One can say for sure that the Russian-British cooperation has never been so saturated, fruitful and confidential. I do not doubt that your visit will serve for the benefit of these relations, and become a landmark event in development of bilateral ties.

"It will even more consolidate the Russian-British relations and help their development regardless the political situation in Great Britain and Russia," said Boris Yeltsin.

He noted that the image of the British queen is considered in Russia to be personification of the idea of state wisdom, historic succession and greatness of the nation.

"Fulfilling your mission with dignity, you confirm an important idea - monarchy can be an integral part of democratic state structure and personify spiritual and historical unity of the nation," stressed the Russian president.

Defense Minister Grachev, UK's Hurd Meet

LD1910080194 Moscow ITAR-TASS in English 0736 GMT 19 Oct 94

[By ITAR-TASS correspondent]

[FBIS Transcribed Text] Moscow October 19 TASS—A meeting between Russian Defence Minister Pavel Grachev and British State Secretary for Foreign and Commonwealth Affairs Douglas Hurd began at the Russian Defence Ministry in the morning on Wednesday. Grachev said before the meeting that it was arranged at Hurd's request.

Grachev moved to exchange views on the situation in the Gulf area and on the Balkans. He also offered Hurd to discuss bilateral cooperation and prospects for its expansion. Grachev noted that he would also like to exchange views on the implementation of the "Partnership for Peace" programme and Russia's relations with NATO. Moreover, the sides will discuss Russia's peace-making efforts.

Grachev said that he would like to discuss the implementation of the agreement on conventional armaments in Europe and flank limitations. The Russian minister wants to inform Hurd on his vision of the situation around Iraq and on the Bosnian crisis, and also to acquaint him with the situation in CIS countries.

Douglas Hurd thanked Grachev and the Russian Defence Ministry for their active participation in preparing and holding the functions linked with Queen Elizabeth's visit to Russia. The guest noted that he would like to make traditional such meetings with the defence minister.

Kozyrev To Meet Tariq 'Aziz at UN in New York

LD1810171994 Moscow INTERFAX in English 1603 GMT 18 Oct 94

[From the "Diplomatic Panorama" feature by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] It is likely that Russian Foreign Minister Andrey Kozyrev will meet in New York on Tuesday with Iraqi Deputy Prime Minister Tariq 'Aziz and head of the UN Commission for Disarming Iraq, Rolf Ekeus, Interfax special correspondent in New York, Igor Porshnev, was told by a senior Russian diplomat from Kozyrev's entourage.

The Interfax correspondent reports that the meeting between Kozyrev and 'Aziz is scheduled for 5:30p.m., Moscow time, and between Kozyrev and Ekeus—for 6p.m., Moscow time.

According to the diplomat, those will be two separate meetings which will be held at the Russian mission at the United Nations. At the meeting with 'Aziz, Kozyrev is likely to seek that the Iraqi consent to recognize sovereignty and territorial integrity of Kuweit be given legal force, said the diplomat.

As Interfax already reported such consent had been given by Iraqi President Saddam Husayn on October 13 at the meeting in Baghdad with Kozyrev.

The source also said that Kozyrev intends to discuss with Ekeus the establishment of a control mechanism over Baghdad's compliance with the UN Security Council's demand on its disarmament. After the monitoring period expires, the UN Security Council must consider the possible lifting of the embargo for export of Iraqi oil, he said.

The diplomat said that Moscow proceeds from the fact that the period should not exceed six months. We are interested in Iraq's earliest compliance with all UN Security Council's resolutions for the post-crisis settlement in the Gulf zone, he said.

The diplomat said that according to different estimates Iraq owes Russia some 6-7 billion dollars. "We would like to receive the debts. But first Iraq should meet the UN Security Council's demands and that international sanctions be lifted against it," he said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Meanwhile, Russian Foreign Ministry's spokesman Grigoriy Karasin told journalists that the Iraqi problems were in the focus of attention at the meeting in New York on Monday between Kozyrev and UN Secretary General Butrus-Ghali. The two sides also discussed the situation in Bosnia, for example, the division of competence between the UN Security Council and the NATO concerning air strikes, as well as elections in Tajikistan, said Karasin.

Answering the question put by Interfax, he said that the problems associated with further easing sanctions against Baghdad were not discussed by Kozyrev and Butrus-Ghali.

In the near future UN Secretary General Butrus-Ghali intends to visit the Caucasus, Grigoriy Karasin told journalists.

He said that Butrus-Ghali will meet leaders of Georgia, Armenia and Azerbaijan to see the situation on the spot. This is directly connected with the UN peace-keeping activities, first of all, in Abkhazia, and, to a certain extent, in Nagorno-Karabakh, said Karasin.

Kozyrev Meets UN Commission Chief Ekeus

LD1910052394 Moscow ITAR-TASS World Service in Russian 2220 18 Oct 94

[ITAR-TASS correspondents Igor Borisenko and Dmitriy Gorokhov]

[FBIS Translated Text] New York, 19 October— The foreign minister of the Russian Federation, Andrey Kozyrev, on Tuesday held a meeting at the Russian permanent mission at the UN with Rolf Ekeus, chairman of the UN special commission to oversee the destruction of Iraq's weapons of mass destruction and missile equipment. Talking to journalists after the meeting, he expressed approval of the commission's work. On his part, Rolf Ekeus said the commission "intends to speed up its work and take advantage of the favorable circumstances which have emerged after the trip by Russian Foreign Minister Andrey Kozyrev to the countries in the Persian Gulf".

To a question about cooperation with the Iraqi authorities, Rolf Ekeus said: "This matter has been covered in the commission's quite positive report which was submitted to the Security Council a few days ago. The commission has no complaints about cooperation with the Iraqi authorities. However, there is still a whole number of issues waiting to be resolved. We noted the remarks made by the Iraqi foreign minister, Tariq 'Aziz, during the sitting of the Security Council on Monday, where he unequivocally spoke of cooperation with the commission".

No 'Contradictions' With U.S. on Gulf Policy

LD1910075694 Moscow ITAR-TASS in English 0705 GMT 19 Oct 94

[By ITAR-TASS correspondents Dmitriy Gorokhov and Aleksandr Pakhomov]

[FBIS Transcribed Text] New York October 19—"We have no strategic or political contradictions with the United States in the Gulf," said Russian Foreign Minister Andrey Kozyrev, speaking to students and teachers of Columbia University here on Tuesday night.

According to the minister, an article published by the NEW YORK TIMES newspaper on the same day, alleging that different approaches of the U.S. and Russia to sanctions against Iraq resemble contradictions of the cold war time, is "clear exaggeration."

"The two countries want stability in this region," Kozyrev noted. Indeed, he admitted, "We have different approaches with the U.S. to sanctions against Iraq, but this is in no way a return to the cold war time. They are just different approaches "based on various possibilities of various countries."

"We have our historically developed ties with Iraq and our own methods of influence. If the U.S. can ensure Kuwait's military protection—this is good. We also have our own possibilities. We should learn to cooperate as equal partners in such difficult circumstances," Kozyrev expressed his conviction.

As for sanctions, the minister said, they should not be "an eternal punishment." Clear-cut procedures should operate in this case, as in other spheres of international law, he underlined.

Speaking of the present stage in the development of relations between Russia and the U.S., the minister noted that "we have achieved much: we are partners, and we look for new parameters. This is pragmatic, strategic and realistic partnership."

At the same time, mentality of the cold war time still persists in both countries. For instance, Russia is still described as a communist state in some U.S. legislative acts. Russia is not a communist country. Democratic Russia is a natural partner and ally of other democracies.

Russia and the U.S. are now facing new problems: a new type of conflicts as in former Yugoslavia and disintegration of society in several countries as in Somalia where genocide is in progress. These are "new types of challenges to the international community, which should be tackled jointly."

Turning to Russia's attitude to a desire by some former socialist countries to become NATO full-fledged members as soon as possible, Kozyrev expressed supposition that "we shall possibly find a better version than mere expansion of the alliance."

In practice, a mere admission of these countries to NATO may become a destabilising factor, he said. The NATO bloc was set up as a counterbalance to the Soviet threat. There is no Soviet threat now. As for the version of enlargement, the situation in this case is as follows: the simpliest way out may become the worst.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Asked about the situation on Cuba, Kozyrev expressed hope that changes will progress there. Changes in the foreign policy are noticeable even now: "There is no Che Guevera policy any longer."

The minister pointed to the positive development of relations between Russia and China. He expressed regret at the same time that China continues nuclear explosions.

Says Differences 'Quite Natural'

LD1810215194 Moscow INTERFAX in English 1939 GMT 18 Oct 94

[FBIS Transcribed Text] The basic approaches of the U.S. and Russia to the post-crisis settlement in the Persian Gulf match, according to Russian Foreign Minister Andrey Kozyrev. "The difference lies only in accents," he said in New York Tuesday after his meeting with Iraqi Deputy Prime Minister Tariq 'Aziz and the head of the U.N. commission for the Iraqi disarmament, Rolf Eckeus.

Kozyrev said such differences were "quite natural and should not be excessively dramatized."

"We have our proposals, the Americans theirs. But, it seems to me, neither we, nor they should believe that only our own position is the absolutely right one," he pointed out. Commenting on the criticisms by the U.S. media of his meeting with Iraqi leader Saddam Husayn, Kozyrev noted that, for example, "several years ago the PLO leader was called a terrorist with whom you could not do business. Now he is a laureate of the Nobel Peace Prize."

Kozyrev called to "cool down emotions and do not moralize. The crisis caused by Iraq's military exercises near the border with Kuwait is over," he stressed.

In an answer to an Interfax question, Kozyrev said that "the Americans explained their rash negative reaction to the Russian minister's visit to Baghdad by reports of the Iraqi press. If we begin to judge about one another's actions by reports of the mass media, we will look ridiculous," he said.

"We had a friendly conversation with Warren Christopher (in New York Monday—IF note). I have spoken over the telephone with Foreign Secretary Douglas Hurd and I do not see reasons not to meet him if our ways cross somewhere. This page must be turned over," he concluded.

Iraq's 'Aziz Claims Ratification Not Required

LD1810205594 Moscow INTERFAX in English 1939 GMT 18 Oct 94

[FBIS Transcribed Text] Iraq should agree to the U.N. Security Council demand to recognize Kuwait's independence and territorial integrity, Russian Foreign Minister Andrey Kozyrev told Interfax in New York Tuesday after his meetings with Iraqi Deputy Prime Minister Tariq 'Aziz and the head of the U.N. commission for the Iraqi disarmament, Rolf Eckeus.

Kozyrev said Iraq maintained that its Constitution did not require ratification of the decision to recognize Kuwait's sovereignty and territorial integrity.

Iraqi President Saddam Husayn made the decision after his meeting with Kozyrev in Baghdad on October 13.

"However, I recommended to Tariq 'Aziz to fulfil the procedure as required by the U.N. Security Council, even if it is not stipulated by the Constitution of Iraq. Whenever the U.N. Security Council believes it should be this way, we are to proceed from the priority of international over national law," Kozyrev said. He said he believed that the Iraqi deputy prime minister would return to Baghdad to report his achievements to his leadership.

According to Kozyrev, "the Iraqis will comply with the ratification procedure, but it may take some time. I recommended to them to make this time as short as possible."

Foreign Ministry Spokesman on Cooperation With UN

LD1810214594 Moscow INTERFAX in English 1939 GMT 18 Oct 94

[FBIS Transcribed Text] Moscow believes that a perspective of returning to the international community as an equal partner will open for Baghdad if it continues to cooperate with the UN Security Council properly and carries out all decisions made by the UN on the issue, the Russian Foreign Ministry's Spokesman Mikhail Demurin said at a briefing in Moscow today.

Demurin said that as a result of the actions taken by the international community the situation in the Persian Gulf region had been significantly eased and the tension on the Iraqi-Kuwaiti border had been reduced after the withdrawal of Iraqi troops from the south of the country.

Demurin stressed that the dramatic developments in the area of the Persian Gulf had once again shown that the post-crisis settlement there must be more energetic.

Demurin said that on one hand the settlement provided for implementation of all demands put forward to Iraq and on the other hand for an adequate response of the UN Security Council to positive moves by Iraq. He made it clear that he meant possible lifting of the embargo on export of Iraqi oil after the six-month "control term" expired.

Demurin said the position of Russia on softening the sanctions against Iraq did not contradict the appropriate UN resolution but was in conformity with it. He said such a position had been dictated by the intention to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

create a really solid basis for maintaining peace and security in the region and to pass over from force pressure to political efforts.

Comment on Russia-U.S. Differences Over Iraq

LD1810162094 Moscow ITAR-TASS in English 1339 GMT 18 Oct 94

[By ITAR-TASS diplomatic analyst Yuriy Tyssovskiy]

[FBIS Transcribed Text] Moscow October 18 TASS—"Russia and the United States have clashed in the U.N. Security Council over the lifting of sanctions against Iraq"—this is approximately how many Western means of mass information have described developments at the latest meeting of this key body of the international community, called at Moscow's request.

The crux of Russian Foreign Minister Andrey Kozyrev's statement to the Security Council can be reduced to several clear-cut propositions. Iraq, he said, had for the first time agreed to recognise the sovereignty of Kuwait and, consequently, the border between the two countries. This recognition was demanded by the Security Council Resolution No. 833. The Russian foreign minister believes that concrete steps to relax the sanctions, imposed on the aggressor after the 1990 events, could already be started in light of Baghdad's cooperation with the U.N. special commission, set up to scrap Iraqi mass annihilation weapons and missiles, and provided Iraq fulfilled the latest U.N. decisions on the immediate withdrawal of Iraqi troops from the Kuwaiti border and promised not to repeat such actions in the future. A "control" mechanism for the long-term monitoring of the Iraqi military potential could then be set going approximately within one month. The question of lifting the oil embargo and eventually relaxing or lifting all the other bans could be raised half a year later, given Baghdad's honest cooperation with the United Nations. In other words, Iraq should be offered a perspective that would encourage its leadership and people to renounce its confrontation with the United Nations and with the country's immediate neighbours.

The essence and spirit of the Russian minister's statement were very much disliked by the American and British representatives. Kozyrev's plan was, in fact, rejected. What were the arguments?

As a matter of fact, the U.S. permanent delegate on the United Nations Madeleine Albright and her British colleague David Hannay spearheaded their criticism not at Kozyrev's pronouncements, but at the speech by Iraqi emissary Tariq 'Aziz. Albright assessed sceptically 'Aziz's statement that his country was ready to "establish friendly relations with all its neighbours, including the state of Kuwait." Hannay even went further. He said that the advocates of lifting the oil embargo should first answer several questions: Firstly, how can the U.N. Security Council be sure that Iraq will not begin again to produce mass annihilation weapons, will not use the money, earned from the sale of its oil, for the unlawful purchase of armaments, and, having mustered enough strength, will not use them against its own people and its neighbours? The British delegate stressed that it would be very difficult to answer these questions as long as president Saddam Husayn remained in power.

True, it is difficult to reply to these questions, but, nevertheless, they can be answered. Mrs. Albright is unquestionably right. The words of the Iraqi representative, who is only deputy premier, cannot be trusted. They are obviously insufficient. The recognition must be legislatively endorsed by the parliament and the country's top leadership. It must be published in an official newspaper. As a matter of fact, Baghdad has missed a very important chance to make the first step in this direction. Iraqi MPs were reportedly ready to officially recognise Kuwait during the broadly advertised "extraordinary" session of their parliament held on Monday. This did not happen, thereby adding weight to the arguments of Husayn's critics. Nevertheless, many political analysts, as distinct from Mrs. Albright, are convinced that the recognition of Kuwait's sovereignty is not far off.

Hannay's arguments were rather feeble. From the military point of view, the Iraqi regime must, indeed, be constantly and strictly watched, and this is precisely why the U.N. "control" mechanism was set up in the form of a long-term electronic monitoring instrument. Then there will be no grounds for any doubts.

And, despite this, the United States and Britain have declared their unwillingness to provide compensation to Iraq for its challenging actions against Kuwait by relaxing the sanctions. The difference between them, on the one hand, and Russia and France, on the other, is of a fundamental character. French Foreign Minister Alain Juppe said in Kuwait that he preferred "an evolution towards peace with Iraq to continued confrontation." He also stressed that the question of using force against Iraq should be decided by the U.N. Security Council and not by Washington, and that, in discussing the problem of sanctions, the United Nations should take into account Baghdad's recognition of Kuwait.

The attitude of Moscow and Paris to this problem is based on a solid legal grounds. The U.N. resolutions envisage the relaxation or lifting of sanctions if Baghdad fulfils the demands contained in hem. This is written down in black and white. But this is not the main point. The peace and security in the western part of the Persian Gulf can be ensured not only by military measures, but by political steps, which would make the Iraqi rulers heed the voice of reason and give up the unseemly role of outcasts of the world community. And this is the goal towards which the U.N. Security Council should strive. Hence, there is an obvious difference of views between Moscow and Washington. But they were smoothed out a little during Kozyrev's Monday meeting with Secretary of State Warren Christopher. American officials believe the positions of the two sides on Iraq are now 99 per cent

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

agreed. The United States and the Russian Federation, according to Christopher, will jointly oppose Iraqi threats to the security of the Persian Gulf, will hold permanent consultations on the Iraqi problem. He added that Iraq should fully honour all the resolutions of the United Nations Security Council, and not only some of them. Well, this is quite a good basis for further cooperation.

Demurin Comments on Trip to Iraq, Kuwait

LD1810160894 Moscow ITAR-TASS in English 1423 GMT 18 Oct 94

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[FBIS Transcribed Text] Moscow October 18 TASS—The trip of Russian Foreign Minister Andrey Kozyrev to Iraq and Kuwait has played an important role in settlement of the Gulf crisis, official representative of the Russian Foreign Ministry Mikhail Demurin told a briefing here today.

He said that the agreements reached during Baghdad negotiations of Andrey Kozyrev opened way to normalization of the regional situation.

The Russian stand on easing sanctions against Iraq does not run counter to Resolution 949 of the United Nations Security Council. On the contrary, it is based on provisions of the resolution which also includes Russian proposals, said Demurin. This stand is caused by the striving to create a lasting basis for peace and regional security and abandon pressure for the sake of political efforts with objective estimation of Iraqi actions, he added.

Moscow thinks that Baghdad has a prospect for fully-fledged return to the international community on condition of its further conscientious cooperation with the U.N. Security Council and complete fulfilment of its resolutions.

Kozyrev Hopes U.S. 'Will Learn Its Lesson'

LD1810141994 Moscow INTERFAX in English 1335 GMT 18 Oct 94

[FBIS Transcribed Text] Russian Foreign Minister Andrey Kozyrev has expressed the hope that the United States "will learn its lesson and henceforth won't inadequately and hastily react" to Moscow's actions.

Kozyrev told Interfax in New York on Tuesday that the day before he had a "tete-a-tete" meeting with U.S. secretary of State Warren Christopher in New York, which was focused on the "Iraq problems" and Washington's negative reaction to Kozyrev's October 13 visit to Baghdad, when Iraqi President Saddam Husayn promised to recognize Kuwait's sovereignty and territorial integrity.

Kozyrev said his meeting with Christopher had clarified the situation for the Americans—"I said that partnership at least means the absence of hasty reactions unless they are positive. Positive reactions can be hasty."

Before making "nonpositive or hasty reactions you should meet, sort everything out and only after that make any statements," the Russian minister summed up.

Kozyrev Move Provokes Russia-West 'Crisis'

MM1810161094 Moscow IZVESTIYA in Russian 19 Oct 94 p 3

[Feature comprising article by Elmar Guseynov on Russian Foreign Minister Kozyrev's Gulf tour, citing remarks by Kozyrev (dates, places not given); plus commentary by Maksim Yusin: "Mission to Baghdad"]

[FBIS Translated Text]

Russian Diplomacy's Initiative Averted a New War in the Persian Gulf Zone... [Guseynov report]

Baghdad and New York—Andrey Kozyrev's speech at the UN Security Council was the culmination of a four-day visit to Persian Gulf countries.

Kozyrev's trip proved lacking in complex internal dramatic structure but packed with dramatic moments. When, after the end of the talks in Baghdad which IZVESTIYA has already reported, the Russian foreign minister's team boarded the plane, one could not fail to notice the heightened animation that prevailed among our diplomats. The statement made by Saddam Husayn on withdrawing the troops and consenting to recognize Kuwait's sovereignty, broadcast, moreover, on Iraqi national television, was regarded as a clear diplomatic victory for Russia, paving the way for a settlement of the new round of the Gulf crisis.

True, the crisis itself was seen by those on board the plane as having been rather exaggerated. Moscow had had precise advance information on the proposed Iraqi troop maneuvers and on the fact that an invasion of Kuwait was not intended. It is known that the West was in possession of similar information. Therefore the Western countries' drastic, strong-arm reaction to Saddam's latest ploy was seen by Russian diplomats as understandable, but all the same rather out of proportion.

However, during the first few hours in Kuwait, where Kozyrev's plane landed after Baghdad, the mood in the Russian delegation had changed. Maybe this was influenced in part by the blunder that occurred when the plane crossed the no-fly zone in southern Iraq. The Kuwaiti authorities unexpectedly announced that they could not guarantee safety for the flight across this territory. Things changed only after Kozyrev's airliner was met in the air by two USAF interceptors which escorted it to the Kuwaiti border.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Only two hours after arriving in Kuwait City, Grigoriy Karasin, director of the Foreign Ministry Information and Press Department, assembled journalists for a briefing and announced that the Russian side was concerned about the tone of irritation with regard to Moscow's diplomatic initiative that could be detected in remarks by official representatives of certain Western countries. In particular the United States.

So after the first 24 hours of the visit, patently differing assessments of its results by Moscow and by its Western partners had already emerged. The impression was created that Kozyrev's trip was at odds with our Western partners' plans, or else that those countries were not fully informed about the mission's objectives. However, later, during the flight to New York, Kozyrev himself told journalists that the objectives of the visit had been notified to Bill Clinton by Boris Yeltsin in a telephone conversation on the eve of the trip. At that time they had prompted no objections on the American side.

Kozyrev himself, before takeoff, personally called the heads of the diplomatic departments of China and France, whom he briefed in detail on why he was flying to Baghdad. So the only thing that could have come as a surprise to the West was the success that was achieved in the course of the talks.

Kozyrev believes that the assessment of his visit was affected by a kind of jealousy on the part of those forces in the West—and especially in the United States—that are unwilling to accept the fact that Russia has preserved its status as a great power. And that it is therefore pursuing an autonomous and enterprising foreign policy.

Maybe it was these circumstances that led to the fact that Kozyrev, contrary to the original plans, did not meet in Kuwait with any of the high-ranking Western politicians who were in the region at the time.

To a certain extent, attitudes toward Kozyrev's initiative were apparently also affected by the general atmosphere of tension prevailing in the region and by Iraq's unreliability as a partner in talks. While still in Kuwait, Kozyrev learned that Saddam had withdrawn his troops from Kuwait's borders not to their original positions, but to intermediate positions. Thus the Iraqi side had deliberately taken a broad interpretation of the term "rear positions" which was used in the Russian-Iraqi joint statement. This ploy by Saddam could have undermined confidence in the accords reached in Baghdad.

It took renewed pressure from Moscow for the Iraqi tanks really to depart for their rear bases.

Both in Kuwait, and in Saudi Arabia, and in the United Arab Emirates, statements by those countries' leaders revealed not a shadow of distrust in Moscow's motives. In Jeddah, where Kozyrev met with the king of Saudi Arabia, this fact was emphasized several times by the Kingdom's Foreign Minister Prince Sa'ud al-Faysal. In Kozyrev's own opinion, the Gulf states are interested in widening, through Moscow, the spectrum of their strategic allies. Furthermore they are alarmed at the West's excessively sharp reaction to the Iraqi escapade over the maneuvers, a reaction that could have resulted in a new war. And the Gulf countries are trying by every possible means to avoid war.

Furthermore, in Kozyrev's view, his trip helped to avert the adoption of a Security Council resolution effectively declaring war on Iraq. On the basis of the results of the Baghdad talks and the threat to use its veto, Russia was able to insist on a radical change in the wording of the document approved by the UN Security Council 15 October. Despite its harsh assessments of Iraq's policy, this resolution is still a document of peace and not a document of war.

Kozyrev himself is pleased with the results of the visit, since in the event it not only made it possible to defuse the crisis in the Gulf, but also strengthened Russia's positions in the region. Here Andrey Kozyrev cited, in particular, talks on deliveries of Russian weapons worth billions of dollars, which are being conducted with virtually all the Gulf countreis and could now receive additional impetus.

At the same time Kozyrev stated that he sees no obstacle to resuming deliveries of Russian weapons to Iraq after the lifting of sanctions. Asked whether it will be possible to combine deliveries of weapons to a regime that has repeatedly demonstrated its apparently ineradicable aggressiveness, and to those countries that have suffered as a result of that aggressiveness, the minister mentioned special confidence-building and control measures modeled on those that operate in the CSCE and which Russia intends to offer to the Persian Gulf countries. Along with its weapons. [Guseynov ends]

...But Enabled Saddam To Drive a Wedge Between Moscow and the West [Yusin article]

The sharp irritation with which the results of Andrey Kozyrev's Baghdad talks were greeted in Washington and London and the equally angry rebuke from the Russian Foreign Ministry make it possible to speak of the most serious crisis in relations between the West and Moscow since the breakup of the USSR.

It seems Saddam Husayn has achieved his goal by skillfully driving a wedge between the permanent members of the UN Security Council. Russia has taken on a new role as chief defender of Baghdad's interests, and it remains only to speculate how this will affect the Kremlin's cooperation with the West and the attitude of world public opinion toward Moscow. Tempted by the alluring prospects—at least in words—of repayment of the Iraqi debt, Russian diplomacy has in recent weeks been energetically seeking the lifting of the sanctions against Baghdad. The drawing up of Iraqi troops toward the Kuwaiti border did not influence Moscow's position in the least.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

This resulted in a paradoxical situation. Let us recall how events have developed since the beginning of this month. Husayn issued an ultimatum that went roughly like this: If the United Nations does not relax the sanctions, Iraq reserves the right to take countermeasures. What he had in mind became clear the very next day: Republican Guard units were dispatched toward the border with Kuwait. Saddam was threatening the emirate with a new war. The Western allies stated that they were prepared for an armed rebuff, American reinforcements were dispatched to Kuwait, and the Iraqi president decided to withdraw the troops. At that moment Kozyrev flies into Baghdad and, after talks with Husayn, announces: Iraq is prepared to recognize Kuwait's sovereignty, and Russia will support its desire to secure a relaxation of sanctions in exchange. Had the West accepted that proposal, Husayn would have achieved precisely what he was hoping for in moving the troops toward the border.

Nobody in Moscow can seriously have expected the United States to agree to this turn of events without a murmur. But, to all appearances, they were not expecting such a sharp reaction, either. As soon as it became known that Washington had rejected the Russian initiative Kozyrev spoke out in an entirely different vein, giving an assurance that Husayn had agreed unconditionally to recognize the Kuwaiti border. However, no official in Iraq has yet confirmed Kozyrev's words, and whether Saddam agrees with the way in which the Russian minister interpreted the results of their conversation remains a mystery. An emergency session of the Iraqi parliament held Monday confirmed the worst fears: Not a word was said about recognition of Kuwait. On the same day the Gulf crisis was discussed at the United Nations. Russia was virtually completely isolated. Even France, which in recent times has distanced itself from U.S. policy, took a skeptical view of the idea of rewarding Saddam for his attempt to blackmail the world community.

Nonetheless the president of Iraq, having broken through four years of international isolation, remains a winner. The Russian nationalists will doubtless be happy too. It cannot be ruled out that in the near future Zhirinovskiy will speak at a rally outside the U.S. or Iraqi embassy, boasting that the Foreign Ministry has finally heeded his calls and is reviving the friendship with a traditional ally and fighter against imperialism. Only the opposition is hardly likely to remember this to Kozyrev's credit if the question of his resignation is after all raised in the Duma, as the communists and "patriots" have wanted for years. For these people the minister, in spite of everything, remains one of the most hated figures in the government. And after all they are not going to forget his remarks two years ago, when Husayn was for Kozyrev nothing but a dictator and an aggressor.

Yeltsin, Chancellor Kohl Discuss Cooperation

LD1810142894 Moscow ITAR-TASS in English 1353 GMT 18 Oct 94

[FBIS Transcribed Text] Moscow October 18 TASS—Russian President Boris Yeltsin and German Chancellor Helmut Kohl had a telephone conversation on Tuesday. The conversation centred on Russo-German relations and prospects for deeper cooperation between the two countries with Helmut Kohl's having been reelected federal chancellor. A broad range of international problems and prospects for the development of European cooperation were discussed. Problems of the evolution of NATO and of the European Union were touched upon, the Russian president's press service reported.

Kozyrev on Agreement on Bosnia Crisis

LD1810213494 Moscow ITAR-TASS in English 2103 GMT 18 Oct 94

[By ITAR-TASS correspondents Igor Borisenko and Dmitriy Gorokhov]

[FBIS Transcribed Text] New York 18 Oct (TASS)—Russian and American approaches to settling crisis in Bosnia "coincide on the whole in terms of their intentions and political goals", Russian Foreign Minister Andrey Kozyrev told a briefing at the permanent mission of the Russian Federation to the United Nations on Tuesday.

"The problem is how to induce the belligerents to cease hostilities and carry out a plan for peaceful settlement," Kozyrev said.

One approach consists in lifting embargo on arms supplies to Bosnia. Another approach consists in supporting those Serb forces which strive for peace, he said.

"These are different ways which follow one and the same direction. I expect that the "contact group" will look into these proposals and other ones and work out a mutually acceptable decision," he added.

Zotov Named Envoy for Yugoslav Settlement

LD1810154994 Moscow ITAR-TASS in English 1421 GMT 18 Oct 94

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[FBIS Transcribed Text] Moscow October 18 TASS—Ambassador at large of the Russian Foreign Ministry Aleksandr Zotov will soon become a special presidential envoy for settlement in former Yugoslavia, representative of the Russian Foreign Ministry Mikhail Demurin told a briefing here today.

In his words, Zotov is staying in New York where experts of the contact group are having a meeting.

Mission to FYROM Upgraded to Embassy Status

MM1810105194 Moscow ROSSIYSKAYA GAZETA in Russian 18 Oct 94 p 4

[Directive No. 1599-r of the Russian Federation Government, signed by V. Chernomyrdin, chairman of the Russian Federation Government, and dated 6 October 1994]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] 1. In connection with the establishment of diplomatic relations between the Russian Federation and the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], the Russian Federation Mission shall be transformed into the Russian Federation Embassy in the Republic of Macedonia.

2. The staff of the Russian Federation Embassy in the Republic of Macedonia shall be set at nine (three diplomatic and six administrative-technical staffers) out of the overall staff of the Russian Foreign Ministry's foreign establishments.

3. The proposals of the Russian Foreign Ministry and the Russian Finance Ministry shall be adopted with regard to establishing:

a) for the personnel of Russian Federation establishments in the Republic of Macedonia:

interim salaries in convertible currency based on pay of $1,408 per month for the Russian Federation ambassador to this country;

annual paid leave of 24 working days;

b) deductions of 4 percent of the wages fund in foreign currency for medical assistance for the personnel of Russian Federation establishments in the Republic of Macedonia.

4. The Russian Ministry of Finance shall make provision as of 1995 for the allocation of the requisite appropriations in rubles and foreign currency to the Russian Foreign Ministry to cover expenditure linked with the activity of the Russian Federation Embassy in the Republic of Macedonia.

5. The Russian Federation Embassy in the city of Skopje shall be housed on the basis of reciprocity, mindful of the Russian Foreign Ministry's Main Production and Commercial Administration for Servicing the Diplomatic Corps providing corresponding premises for the Republic of Macedonia Embassy in Moscow.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
[Dated] Moscow, 6 October 1994

Lithuanian Seimas Delegation Visits State Duma

LD1810150994 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 18 Oct 94

[FBIS Translated Text] Most members of the parliamentary groupings at the Russian State Duma met by the Lithuanian Seimas Foreign Affairs Committee delegation admit that it is necessary to normalize Russo-Lithuanian economic relations.

The failure by the Russian Government to implement the agreement on the most-favored nation status signed last year, not only placed some enterprises in that country in an unfavorable position, but also violated the consumers' interests, Algirdas Gricius, deputy chairman of the Seimas Foreign Affairs Committee told ELTA.

The delegation of Lithunian deputies arrived for a two-day visit at the invitation of the Duma Foreign Affairs Committee. The aim of the visit is to discuss the status of the Russo-Lithuania trade relations, to discuss the problems of national minorities, and to exchange opinions on the security of the Baltic states.

The delegation has already met with members of parliamentary groupings of the Agrarian party and the New Regional Policy, Russia's Choice, and the members of the standing foreign affairs committee. The delegation was also received by the Chairman of the Russian Duma Ivan Rybkin.

Today the delegation is meeting Sergey Kovalev, the Duma commissioner on human rights; Sergey Krylov, deputy foreign minister, and leaders of the Russian Federation.

Talks will be held at the committees of the state Duma and the Federation Council.

Diplomat Says Kim Chong-il's Role 'Settled'

LD1910095394 Moscow ITAR-TASS in English 0936 GMT 19 Oct 94

[By ITAR-TASS correspondent Andrey Bychkov]

[FBIS Transcribed Text] Moscow October 19 TASS—"The process of inheriting power in North Korea has been completed and nothing can undermine the positions of the present leader Kim Chong-il, the son of President Kim Il-song who passed away on July 8," said a high-ranking official of the Russian Foreign Ministry who spoke on conditions of anonymity.

"Everything has been settled between members of the North Korean leadership. Kim Chong-il is an acknowledged leader of the country, the party and Army. The formal proclamation of Kim Chong-il as the head of the state and Korea's Labour Party does not have as much importance as some circles in Russia and abroad attach to it," the Russian diplomat said. He went on to say that the existing structure of power in North Korea, based on the fulfillment of the will and wishes of one person only does not put the leader's authority into question. Moreover, there are strong traditions in North Korea ruling out a possibility of "quickly dressing the son in his father's clothes" in matters concerning the sphere of supreme power.

Kim Chong-il was and remains in the post of North Korea's Defence Committee and the supreme commander-in-chief of the North Korean People's Army. He was proclaimed Kim Il-song's official successor when his father was alive and was vested with considerable authority then. Besides, his father Kim Il-song was not much seen in public then.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

On October 17, when mourning ceremonies were held connected with the cessation of a 100-day mourning for the late president declared in North Korea, Kim Chong-il appeared in public and in front of TV cameras after a period of almost three months' absence.

Coast Guard Fires Warning Shots at Japanese Vessels

LD1910072494 Moscow ITAR-TASS in English 0622 GMT 19 Oct 94

[By ITAR-TASS correspondent Larisa Beloivan]

[FBIS Transcribed Text] Vladivostok October 19—Russian Coast Guards in the Far East had to fire into the air to force two Japanese fishing vessels abandon the Russian territorial waters near the Kuril island of Kunashir overnight.

The press service of the Pacific Border District told TASS on Wednesday that two Japanese vessels illegally sailed three miles into the Russian waters south of the Kunashir island and began to drift there.

Six more Japanese fishing vessels remained right outside the border line and did not attempt to intrude.

"The violators abandoned the Russian territorial waters after a Russian coast guard ship approached them and fired several warning shots into the air", the press service said.

Moscow 'Will Follow Closely' Haiti's Democracy Restoral

LD1810220194 Moscow INTERFAX in English 1939 GMT 18 Oct 94

[FBIS Transcribed Text] Moscow will follow closely the restoration of democracy in Haiti, Mikhail Demurin, a senior Russian Foreign Ministry official, said at a briefing in Moscow Tuesday.

He did not rule out tremendous difficulties in this process but said that the return of President Jean-Bertrand Aristide to Haiti was an important step towards restoring constitutional order there.

Demurin expressed the hope that the UN Security Council's resolution lifting the sanctions against Port-au-Prince would alleviate the humanitarian situation here and contribute to bringing life to normal in Haiti.

Kiev Requests Postponement of Treaty Talks

LD1810132594 Moscow INTERFAX in English 1132 GMT 18 Oct 94

[FBIS Transcribed Text] The Russian-Ukrainian talks on a draft friendship and cooperation treaty due to be held today were postponed at the request of the Ukrainian side, the head of the Russian delegation to the talks, Ambassador at Large Yuriy Dubinin told Interfax.

He said the Ukrainian delegation said it wished to put off the meeting due to purely technical reasons, in particular the need to prepare for it better. The ambassador said Russia took the request calmly.

The high-ranking diplomat said that the debate on the treaty advanced fairly well and did not give reason for concern. During the latest round, he said, the sides reduced to less than six the number of disagreements in wording.

There are several matters scattered throughout different parts of the draft which the Ukrainian side wants to agree upon with government agencies, the ambassador said.

Dubinin stressed that at the talks, Russia is not making any demands or raising any question that would doubt the territorial integrity of Ukraine, particularly as concerns the Black Sea Fleet. This is a key principle of our approach, he said.

Rybkin Meets CSCE Official

LD1810110794 Moscow ITAR-TASS in English 1004 GMT 18 Oct 94

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow October 18 TASS—Conflicts in Europe should be solved by Europeans, rather than Americans, according to Russian State Duma Speaker Ivan Rybkin who met Chairman of the CSCE Parliamentary Assembly Frank Swaelen on Tuesday.

"These conflicts are better understood in the old good Europe than from across the ocean", Rybkin said.

The speaker added that the CSCE should increase its political status of a regional organisation and added that a "peace belt from Vancouver to Vladivostok is quite real".

Potapov Commentary on NATO Secretary General's Speech

LD1810165794 Moscow Radio Moscow World Service in English 1210 GMT 18 Oct 94

[FBIS Transcribed Text] Belgium's former foreign minister, Willy Claes, has entered the post of NATO secretary general. In this commentary, Anatoliy Potapov gives his assessment of NATO's partnership with Russia and NATO's strategy in future.

The first speech of Willy Claes in the NATO headquarters in Brussels was in fact his program speech. Therefore, unquestionably, what draws attention is the fact that the secretary general called a dialogue and partnership with Russia as one of the major tasks put before NATO. We won't be able to do without this partnership if we want to achieve our purpose to establish a stable

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

peace and security in Europe, he said. Russia's role and authority on the world arena were highly assessed and the conclusion was such that cooperation with Russia will be practised both within the framework of the Partnership for Peace program and outside it.

It should be emphasized that NATO's wish to conduct a dialogue with Russia meets the goals of Moscow's foreign policy. Therefore the joint consultations between Russia and the NATO member-states contribute to the rather careful work which is being done now to draw up a comprehensive programme of interaction between Russia and NATO. This program considerably exceeds the limits of the Partnership for Peace program and provides for a widescale cooperation of Russia with the North Atlantic Treaty Organization.

It should be said that under the bilateral agreement, the program takes into account Russia's size, its role, and authority on the world arena and its nuclear might. At the same time it should be noted that Willy Claes, as NATO secretary general, believes that the enlargement of NATO to spread it over to the east is the task of paramount importance for him. His opinion is that one should be circumspect and act without haste when taking up this issue. Willy Claes says that one need not establish any zones with unequal degree of security and should avoid the possible isolation of any country.

I believe that in formulating NATO's strategy in this way Willy Claes undoubtedly wants to dispel Russia's fears concerning its possible isolation in case of NATO's enlargement at the expense of the East European countries. But the flexibility of political formulations does not influence the essence of the question which Moscow continues to bring up. Why is it necessary to extend NATO to the immediate proximity to Russia's borders if Russia constitutes no threat now? Why the establishment of a special NATO zone in Europe is pushed into the forefront as the task of paramount importance, thus causing alarm from Russia's citizens—and Russia is the NATO partner number one? The speech of the NATO secretary general gives no answer to these questions.

There is no doubt that he is right in believing that it is necessary to continue maintaining close ties between the member- states of the NATO Council, which now includes both the NATO states and the former Warsaw Pact countries, as well as all the former Soviet republics. These ties and also the interaction of the states within the Partnership for Peace program is a far more reliable way to ensure real stability in Europe.

Official on Turkic-Language States' Summit

LD1810184994 Moscow ITAR-TASS in English 1719 GMT 18 Oct 94

[By ITAR-TASS diplomatic correspondent Vladimir Suprun]

[FBIS Transcribed Text] Moscow October 18 TASS—Russia is not against mutually beneficial cooperation between Turkic-language states on the basis of their ethnic, language and cultural closeness. It is not against their normal civilized dialogue on the basis of universally-recognized international norms, official representative of the Russian Foreign Ministry Mikhail Demurin told a briefing here today in connection with the second meeting of heads of Turkic-language states of the Central Asia, Azerbaijan and Turkey in Istanbul.

However, Demurin noted a tendency towards isolation of Turkic- language states on the national-ethnic grounds which objectively opposes them to the neighbouring states. He said that this is used by nationalistic and extremist forces both secular and clerical which are much responsible for stirring up conflicts, including those on territory of the Commonwealth.

In this connection the planned Congress of Turkic Peoples timed to coincide with the Istanbul meeting provokes concern, said Demurin. Aggressive nationalists tried to "brainwash" representatives of the Central Asia, Azerbaijan and some subjects of the Russian Federation at a similar congress in Antalya in 1993. Demurin recalled with regret that the 1993 congress was attended by Turkish leaders.

In his words, Ankara has repeatedly claimed the absence of its pan-Turkic claims and plans of unification of the Turkic world under its aegis, as well as the creation of a closed group. However, if things develop this way, they will be undesirable for Russia and other states, said Demurin.

Specialists Cited on Missile Dismantling Progress

MM1810121194 Moscow KRASNAYA ZVEZDA in Russian 18 Oct 94 p 3

[Report by Aleksandr Dolinin: "How Missile Dismantling Is Proceeding in Russia"]

[FBIS Translated Text] Not so long ago our television reported that America believes that Russia is being slow in dismantling its launchers which come under the START I and START II treaties. Is that the case?

Facts and figures have already been used repeatedly to argue that the reduction of strategic offensive arms in Russia is proceeding sensibly, in accordance with actual plans. And these plans are dictated by the deadlines for removing from alert duty those missile complexes which have outlived their active life and by technical and financial potential. Is this process proceeding slowly or rapidly? I put this question to a Strategic Missile Forces high command specialist. What did I find out?

Let us recall that the START I treaty was signed in Moscow in July 1991. It was here in January 1993 that a second agreement was also reached—START II, which provides for a more in-depth qualitative and quantitative reduction of nuclear missile weapons. A deadline was stipulated for implementing these treaties—10 years. After their ratification, let us stress. But let us

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

remind readers that START I was ratified by the United States, Belorussia [Belarus], Kazakhstan, and Russia. Here the former Russian Federation Supreme Soviet set two conditions. The first was that the new independent states on whose territory SOviet nuclear weapons were deployed should agree together on a plan for their reduction. Second, Kazakhstan, Belorussia, and Ukraine would accede to the nuclear weapons nonproliferation treaty. The Ukrainian side is only now taking active steps toward this. Leonid Kuchma recently sent the Ukrainian parliament a document on the subject. So that the treaties have not yet entered into force.

But Russia has already embarked on the elimination of missile complexes (only those whose "age" has ended). I was told at the Strategic Missile Forces High Command that in the past four years 364 launchers and 457 ICBM's have been scrapped. About 800 missiles with a "Russian residence permit" must be eliminated and approximately the same number of launch silos must be converted or dismantled. Let us note that it is primarily heavy missiles, whose throw-weight is the largest of the ICBM's, and MIRV's missiles which are to be eliminated. The single-warhead missiles will remain.

Russia and the United States determine themselves the specific deadlines and pace for eliminating missiles. Neither side has assumed commitments in this regard. And it is for the executors to judge the pace.

In Russia the difficult task of elimination has been entrusted mainly to the Strategic Missile Forces. To define the volume of the volume of the missile forces' work I shall cite a few facts and figures. It takes about six months for the dismantling and preparatory work before the explosive demolition of launch silos. About 10 days are required to recover one missile at the site of its elimination. We must bear in mind also the time taken to transport the missiles, the amount of work at the elimination sites in Surovatikha and Pibanshur (created, incidentally, in record time), and other factors.

It is natural to ask: What about the United States as regards the elimination of missiles? Here too everything is taking its course. And as far as I know no one intends to set any records as regards the number of complexes eliminated and the time spent.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Chernomyrdin Reportedly Requests To Resign

LD1810165594 Moscow NTV in Russian 1600 GMT 18 Oct 94

[FBIS Translated Text] We have just received the information which may be described as sensational. The radio station Ekho Moskvy has learned from well-informed sources surrounding the president that Russian Federation Government Chairman Viktor Chernomyrdin has sent a request to resign to President Boris Yeltsin. Viktor Chernomyrdin names his deteriorating health as a reason for this step.

ITAR-TASS Issues Denial

LD1810165994 Moscow ITAR-TASS World Service in Russian 1633 GMT 18 Oct 94

["Flash Report"—ITAR-TASS headline]

[FBIS Translated Text] The announcement of Chernomyrdin's resignation does not correspond to reality—prime minister's press secretary says.

Further on Denial

LD1810170394 Moscow ITAR-TASS in English 1648 GMT 18 Oct 94

[By ITAR-TASS correspondent]

[FBIS Transcribed Text] Moscow 18 Oct (TASS)—Press Secretary of the Russian prime minister Valentin Sergeyev has categorically refuted a report of the Echo of Moscow radio station claiming Viktor Chernomyrdin allegedly sent in his resignation.

In his words, Viktor Chernomyrdin, currently in Sochi on vacation, plans a news conference on Wednesday, October 19.

In its report about Chernomyrdin's alleged resignation, Echo of Moscow referred to "informed circles close to the Russian president."

Chernomyrdin Calls Story 'Ridiculous'

LD1810181294 Moscow ITAR-TASS World Service in Russian 1728 GMT 18 Oct 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Translated Text] Moscow, 18 Oct—Russian Prime Minister Viktor Chernomyrdin, who is on vacation in Sochi, was having a telephone conversation with a high-ranking subscriber in the United States at the time the NTV television company, citing the "Ekho Moskvy" radio station, reported that the head of government had submitted his resignation. A conference with the participation of the prime minister on the construction of Olympic facilities in Sochi has been planned for tomorrow.

"One would like to know the journalist who puts out such ridiculous rumors," Viktor Chernomyrdin told an ITAR-TASS correspondent in the Sochi secretariat.

The prime minister will return to Moscow on 20 October.

Resignation Rumor 'Political Provocation'

LD1810185794 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 18 Oct 94

[From the "Novosti" newscast]

[FBIS Translated Text] Today the Independent Television company, citing the "Ekho Moskvy" radio station, reported that Prime Minister Chernomyrdin had handed in his resignation.

The premier's press secretary responded by informing us that the information about the premier's resignation was completely untrue.

Viktor Chernomyrdin himself commented on the rumors of his resignation by saying that they amounted not only to brazen and malicious disinformation, but also to a blatant political provocation.

In an interview with the Russian Information Agency, he stressed that behind this provocation are forces that are trying to destabilize the situation within the country and to bring about a rejection of the reform policy that is being carried out under the leadership of the Russian president.

To Return to Moscow 19 Oct

LD1910065294 Moscow Ostankino Television First Channel Network in Russian 0552 GMT 19 Oct 94

[From the "Novosti" program]

[FBIS Translated Text] Russian Prime Minister Viktor Chernomyrdin is ending his leave and coming back to Moscow. Quoting well-informed sources, INTERFAX has just reported that he will be back at work already today, Wednesday 19 October. The information needs to be confirmed since yesterday 20 October was given as the date of the premier's return to work. According to earlier reports, Chernomyrdin, who is in Sochi, was expected to have a meeting today with the builders of sport facilities for the 2002 Olympic Games which might take place in Sochi.

In addition, quoting the premier himself, INTERFAX reports that Chernomyrdin will meet the media today.

Further Details of Return

LD1910080594 Moscow ITAR-TASS World Service in Russian 0723 GMT 19 Oct 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[FBIS Translated Text] Moscow, 19 Oct—Viktor Chernomyrdin, head of the Russian Government, will return

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

to Moscow this evening, cutting short his vacation in Sochi. Tomorrow, 20 October, Viktor Chernomyrdin will chair a government meeting to examine the draft federal budget for 1995. ITAR-TASS learned this from well-informed sources in the Russian Government.

We recall that on Tuesday the Russian prime minister categorically denied rumors that he intends to resign. These rumors were spread by certain radio and television programs, citing unnamed representatives of Russian President Boris Yeltsin's entourage. Officially, Viktor Chernomyrdin's possible resignation from the post of head of the government has not been confirmed in the president's apparatus.

The State Duma is known to have postponed till next week its hearing of the account of the government's implementation of this year's budget and examination of the draft budget for 1995 in order to give the government sufficient time to prepare these documents. In addition, the issue of confidence in the government tabled by the Democratic Party of Russia faction of deputies has been postponed until after examination of the draft budget and the account on the 1994 budget.

Viktor Chernomyrdin is expected to give a television interview to a television news channel.

Yeltsin Denies Rumors

LD1910110694 Moscow ITAR-TASS in English 1052 GMT 19 Oct 94

[By ITAR-TASS diplomatic correspondent Yuriy Tyssovskiy]

[FBIS Transcribed Text] Moscow October 19 TASS—Russian President Boris Yeltsin rejected rumours about the resignation of Prime Minister Viktor Chernomyrdin.

"This is rubbish", he told reporters on Wednesday commenting on media reports that Chernomyrdin had handed in his resignation because of health reasons.

Yeltsin believes that the rumours emerged after the prime minister was replaced by his first deputy Oleg Soskovets at the welcoming ceremony for Queen Elizabeth the Second when she arrived in Moscow.

"Prime Minister Viktor Chernomyrdin is on vacation and naturally he is to be substituted for, this time by a vice-premier. Oleg Soskovets met and saw off the British queen. Some mass media make a conclusion that the head of government resigned. I tell you with all responsibility that there are no grounds for that", Yeltsin said.

Resignation Rumors Termed 'Canard'

LD1910092494 Moscow Radio Rossii Network in Russian 0900 GMT 19 Oct 94

[FBIS Translated Text] Russian President Boris Yeltsin has described as a canard the rumors about the forthcoming resignations of Prime Minister Viktor Chernomyrdin and Foreign Minister Andrey Kozyrev. According to INTERFAX, Yeltsin said that he fully trusts both Chernomyrdin and Kozyrev. Yeltsin made this statement today at a Kremlin ceremony for foreign envoys who were presenting their diplomatic credentials.

Stankevich Views Resignation Rumors

MS1910101394 London ITV Television Network in English 1800 GMT 18 Oct 94

[Interview with Sergey Stankevich, Deputy, Russian Parliament, by Jon Snow; Stankevich in Moscow, Snow in London; from the "Channel Four" program—live]

[FBIS Transcribed Text] [Snow] Mr Stankevich what do you make of this absolutely nothing in it or is there something bubbling under the surface?

[Stankevich] What we have now in Russia is the next round of the power struggle. Mr Chernomyrdin is leader of a group of industrialist pragmatics in Russian political elite. This group now is attacked by two extreme forces, on the one hand is the radical liberals led by Mr Gaydar and Mr Federov, on the other hand is Nationalists and Communists. It looks like Mr Chernomyrdin can withstand, and he is not going to resign himself and president, it's my impression preferred to keep him in office at least for several months ahead.

[Snow] But can I just interrupt you there, is there a whiff of the past in all this, do you think that amid his absence on holiday his enemies have struck and fed false information about his health?

[Stankevich] I think that his health is good enough to be enough, it is not a political problem, and it is simply a reflection of power struggle in Russian political elite which is now going on full steam ahead.

[Snow] Well now you're very close to these things, if you were a betting man who much longer is he going to survive?

[Stankevich] I think that for at least for several months ahead, but for the next year we shall have very important electoral campaign, and Mr Yeltsin now faces [words indistinct] decline in his popularity, and growing demand to radicalize Russian reform. So I can envisage that he can consider a possible reshuffle of his government but not now I think.

[Snow] Mr Stankevich thank you very much in deed in helping us with that one.

Chernomyrdin Seen on Verge of Stepping Down

MK1910091094 Moscow SEGODNYA in Russian 19 Oct 94 p 1

[Report by Sergey Parkhomenko under the "Conflict" rubric: "Russian Prime Minister On the Verge of Stepping Down"]

[FBIS Translated Text] A diplomatic scandal that broke out the minute it transpired that British Queen Elizabeth

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

II would be met by Deputy Prime Minister Oleg Soskovets, not Russian head of government Viktor Chernomyrdin, has attracted perhaps as much attention as the absurdity that occurred two weeks earlier in Shannon. This time, however, virtually no one had any doubts that Mr. Chernomyrdin must have had really weighty reasons to continue his Sochi vacation—seemingly imperturbably—on the day the unprecedented visit began. All the more so because the very status of the august guests calls for the exceptional importance of protocol nuances characteristic of the unique event.

Reports received by SEGODNYA from reliable sources close to the government confirm that he did have such reasons, and the issue is not light-hearted tactlessness or a whim by the head of cabinet. To all appearances, the issue is that the October collapse of the ruble at the currency exchange and the subsequent reprisals in the state apparatus initiated by the president have ushered in a new phase in the evolution of a personal relationship between Boris Yeltsin and Viktor Chernomyrdin. Or, rather, the peculiarities of the relationship that have already existed but have hitherto remained hidden are now visible even to outsiders.

A chief at the government staff, speaking with assurance and unabashed by a switched-on tape recorder—in a talk with your SEGODNYA correspondent even before the current political season kicked off—used the word "jealousy" when he described the reasons for tension emerging in the seemingly well-oiled operation of the country leaders' tandem. The high-ranking officials did not try to conceal the fact that what had excited the feelings that are universally seen as so uncharacteristic of the prime minister was the increasingly close intimacy with the head of state that Deputy Prime Minister Oleg Soskovets managed rapidly to achieve over the past six months. This intimacy appears too close even for a leader holding so high a rank in the state hierarchy. And too rapid even for a president whose fickle nature and a clear penchant for favoritism have been noticed more than once.

The situation was further compounded when Viktor Chernomyrdin found himself among chiefs accused of being involved with a nearly deliberate attempt to discredit the national currency. The fate of Sergey Dubinin and in fact, as we now know, of Viktor Gerashchenko also, was decided in the absence of the prime minister, but with the tacit approval by that same Oleg Soskovets, who headed the government while the chairman was on vacation. Mr. Chernomyrdin, who returned to Moscow 12 October, was effectively presented with the fait accompli of a fairly significant cabinet reshuffle.

Moreover, in the presence of a few members of the Security Council the president simply told the premier to go back to Sochi without delay.

The president ignored Mr. Chernomyrdin's readiness to cut short his vacation and to resume his activity as head of government at a time of an intense crisis. Boris Yeltsin did not change his mind even when he was reminded of the visit by the Italian prime minister that was to start 13 October. Lengthy talks with Viktor Chernomyrdin were to be the key element of the four-day schedule of Silvio Berlusconi's stay in Russia. Moreover, the current chiefs of the Russian and Italian Governments have long been on familiar terms with each other, and they prepared for the meeting with utmost seriousness.

The Russian premier returned to Sochi, and his Italian counterpart left for Rome after learning that the scheduled meetings with Viktor Chernomyrdin had been canceled; as a result his visit lasted less than one day.

So, Her Majesty Elizabeth II has gotten herself into the mess by pure chance.

The fact that the conflict between the Russian president and the prime minister is coming out in the open becomes really threatening with only a few days to go before the State Duma's possible vote of no-confidence in the government. Meanwhile, sources at the White House report in a matter-of-fact tone that back on 12 October Sergey Filatov, chief of the presidential administration, signed and distributed a confidential instruction describing in detail the procedure for appointing new government members. Under the document, the appointments of deputy prime ministers, ministers, and so forth will from now on be controlled by the Kremlin staff. "In accordance with the Law on State Secrets," the Federal Counterintelligence Service will be entrusted with collecting information about candidates for high posts.

Rybkin Says Chernomyrdin To Present Program

LD1910090994 Moscow ITAR-TASS in English 0858 GMT 19 Oct 94

[By BUSINESS-TASS correspondent Robert Serebrennikov]

[FBIS Transcribed Text] Moscow October 19—Russian Prime Minister Viktor Chernomyrdin will submit to the State Duma an economic development programme for 1995-1997 on the day when the lower chamber is vote confidence in his government.

Duma speaker Ivan Rybkin told lawmakers on Wednesday that in his speech on October 27 Chernomyrdin will focus on problems of the federal budget, the taxation and financial systems.

The Duma will devote a whole plenary meeting to the discussion of the report, the speaker added.

On Monday the Duma decided to postpone a confidence vote in the government, motioned by the Democratic Party of Russia, from this Friday to next Thursday, October 27.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Grachev Denies Burlakov Involved in Murder

LD1810144494 Moscow ITAR-TASS World Service in Russian 1348 GMT 18 Oct 94

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Translated Text] Moscow, 18 Oct—"I am completely innocent. General Matvey Burlakov was not involved in the incident either," Defense Minister Pavel Grachev said today during his trip to Kaliningrad near Moscow. He said, "Dmitriy Kholodov did not pose any political threat to the Defense Ministry or the Counterintelligence Service, and the hasty accusation by Pavel Gusev, editor in chief of the MOSKOVSKIY KOMSOMOLETS newspaper, of the two departments of being party to the death of the journalist are 'a dirty political game'."

The head of the defense department said he was indignant at the words of the MOSKOVSKIY KOMSOMOLETS chief. "Such things can be said only by an irresponsible person." At the same time he said he did not intend to interfere in the investigation personally and decided he was not in any hurry to take Pavel Gusev to court.

The Russian defense minister said he did not intend to raise the question of the transfer of Matvey Burlakov to another job because of what happened.

Burlakov Denies Corruption Allegations

LD1810150194 Moscow ITAR-TASS World Service in Russian 1400 GMT 18 Oct 94

[By ITAR-TASS correspondent Vadim Byrkin]

[FBIS Translated Text] Moscow, 18 Oct—Colonel General Matvey Burlakov, Russian deputy defense minister, who is also former commander in chief of the Western Group of Forces, said Pavel Gusev's accusation was "cruel," "groundless," and "out of place." Editor in chief of MOSKOVSKIY KOMSOMOLETS newspaper accused Burlakov of being involved in the death of the newspaper's journalist Dmitriy Kholodov yesterday. Speaking today to a group of journalists, he described the murder as "fierce sabotage" and expressed his condolences to the family, relatives, and colleagues of the dead journalist.

Matvey Burlakov denied accusations of corruption among the command of the Western Group of Forces and the Defense Ministry, having acknowledged that there were violations, but they "are being actively combatted and will be combatted." In the last four years, the activity of the Western Group of Forces has been inspected by three presidential commissions, 10 Supreme Soviet commissions, and 18 Defense Ministry commissions. It is being constantly monitored by representatives of the General Procuracy and Chief Military Procuracy of the Armed Forces. Since 1946, Burlakov said, the Western Group Of forces has lost just 62 revolvers.

In reply to a question by the ITAR-TASS correspondent whether he intended to go to court in order to find out who is right and who is wrong in connection with the serious accusations of being involved in the murder of the journalist, Matvey Burlakov said "it is now necessary to use joint efforts to investigate and to find the murderers. Only after that the accusations can be considered." To the next question pressing the same issue, he said that he would go to court only after the investigation is completed."

Murder Seen as Defense Ministry Conspiracy

MK1810130094 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 18 Oct 94 p 1

[Report by Aleksandr Minkin: "Political Murder. Dmitriy Kholodov Survived Ossetia, Abkhazia, Chechnya... Killed in Moscow"]

[FBIS Translated Excerpt] Yesterday a bomb went off in our editorial office. Dmitriy Kholodov, our military correspondent was fatally wounded. [passage omitted]

He was a great guy! The best one among us. Very young, 27. He had been in all the hotspots—Ossetia, Abkhazia, Chechnya—and survived.

He had long specialized in the Western Group of Forces: graft and corruption among generals, illicit arms trading.

He was "Enemy No. 1" for the Russian Federation Defense Ministry.

Just recently, when asked about corruption in the Western Group of Forces, President Yeltsin said that the investigation did not expose anything serious. What else can he say after he embraced and kissed General Burlakov—commander of the Western Group of Forces—in Berlin before the very eyes of the entire world?

According to our information, Sergey Yushenkov, chairman of the Russian Federation State Duma Defense Committee, invited Dmitriy Kholodov to testify at parliamentary hearings on corruption in the Western Group of Forces.

Yesterday, Dima received a chit for the Kazanskiy Railway Station's baggage check from a person he knew as a Federal Counterintelligence Service [FCS] member. Turning in the chit, Dima received an attache case which, as he was told, contained documents on illicit arms trading in the Western Group of Forces.

Dima brought the case to MOSKOVSKIY KOMSOMOLETS, opened it, and died.

He was killed by very rich and very powerful men. These men want to wear their trouser stripes and do not want to go to jail.

After Dima was killed, we received information from a fairly knowledgeable person who is close to the top echelon of the Defense Ministry. By this account, Defense Minister Grachev is trying to get rid of all his

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

deputies except for Burlakov. Security Council Secretary Lobov appears to be actively involved in the personnel reshuffles; recently he had secret meetings with a number of Armed Forces combat branch commanders.

We are in for yet another parody of an investigation. Instead of catching high-ranking murderers they will dupe and hoodwink us.

But we will do everything we can so these generals lose their sleep.

Nobody will help us—neither the president, nor the State Duma, nor the General Prosecutor's Office. All they are capable of is disgraceful amnesties to murderers.

We are alone. We have only you—our readers—beside us.

We hope that you will come to the hero's funeral.

Opposition Said Not Seeking To Oust Cabinet

MM1910091994 Moscow IZVESTIYA in Russian 19 Oct 94 p 4

[Article by Sergey Chugayev: "Duma prefers Bargaining With President to Dismissing the Government"]

[FBIS Translated Text] If the State Duma had really seriously wanted to dismiss the government, it could have done so easily 12 October—the day after "Black Tuesday."

The fact that this did not happen can very well be considered as serious grounds for assuming that the desire to change the present cabinet has not even crossed the minds of the majority of deputies in the Russian Parliament's lower chamber. Moreover, the Duma Council's decision to postpone the debate on a vote of no confidence in the government till next week seems to be adequate confirmation of this.

It is hard to imagine that the leaders of the corps of deputies, first and foremost of the opposition, agreed to the postponement of the debate on a vote of no confidence in the government planned for 19 October because they are hoping to prepare for them a little better and put the government in a completely hopeless position. All the opposition's arguments are well-known, and it is unlikely that they will acquire anything significant in the space of this extra week. Thus, it is logical to conclude that the debate's postponement suited them above all in order to engage in that absorbing pastime—bargaining with the president over changing ministerial portfolios.

There are grounds to suppose that these talks had even begun last week. Soundings were taken during the president's meeting with the Duma leadership, and, as several participants reported, the president gave to understand at that time that he was ready to make certain concessions in exchange for retaining the government's basic core.

You can understand the president's inclination to hold talks. In theory, that part of the corps of deputies which is definitely inclined toward opposing the executive represents an impressive majority of approximately 190 persons. That is, for the opposition to receive the majority necessary to get a vote of no confidence in the government passed, it is only short of about 50 votes. But, taking into consideration the fact that apart from "Russia's Choice" all the other factions in the Duma have various complaints against the government and the president, it may not prove so difficult after all for the opposition to obtain the 50 votes it lacks. In any case, the situation is fairly dangerous.

On the other hand it is absolutely evident that the opposition itself is not ready and has little desire to dismiss the present Cabinet of Ministers. First, it is far from unhappy with the majority of current government members. The opposition dislikes only four ministers. Second, it is the president it likes least of all. However, having once dismissed the government, it will have to present its own alternative cabinet members and its own alternative government program to the president himself. In which there is clearly no sense.

What is more, the socioeconomic situation in the country itself does not as yet give any reasons for the government's dismissal. The events of "Black Tuesday," did, of course, inflict a serious blow on the executive's reputation, but the fact that their consequences were successfully and fairly rapidly nullified is evidence of the government's having nevertheless successfully achieved some kind of stabilization. In other words, the situation in the country is not so abysmal that the cabinet should be changed right now. A change of government in these circumstances may only lead to a heightening of the political tension in society and, as a consequence, to a worsening of the economic and social situation.

It looks like all those involved in the present confrontation between the branches of power realize this. As well as the fact that quite good conditions have been created for bargaining over ministerial portfolios. According to available information the bargaining process is already in full swing. Here, the president will to all appearances have to pay double. It is not only essential for him to retain a number of key figures in the government but to get support from the Duma for his candidate for the post of Central Bank chairman. A number of sources within the Duma confirm the veracity of rumors that the president intends to appoint Ye. Gaydar to this position. Which, of course, does not make many deputies wild with joy.

As far as we know, parliament's active participants in the bargaining are the factions of the Liberal Democratic Party of Russia [LDPR], the communists, and the agrarians. Those of the LDPR, with the extremism which is characteristic of them, want V. Zhirinovskiy included in the government. What is more, in one of the major posts. You can guess with great certainty that they will not

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

succeed in this. The remaining factions are more moderate and pragmatic. Therefore they have greater chances of success. Most likely the agrarians will strengthen their position in the government. Apart from this, according to certain information, a preliminary agreement has been reached between the president and the communists to appoint Deputy Speaker of the Duma V. Kovalev, of the Communist Part of the Russian Federation, as minister of justice.

In this way, there are most certainly grounds to believe that the debate on the vote of no confidence in the government planned for next week will prove to be a colorful political performance, a lively propagandist show, but will not bring about any particular changes either in the supreme authorities' activities or the lives of ordinary Russians.

Travkin Moves To Regain Control of Defiant DPR Faction

MK1910123094 Moscow KOMMERSANT-DAILY in Russian 19 Oct 94 p 3

[Report by Natalya Arkhangelskaya: "Split in DPR Leadership. Nikolay Travkin Trying To Rescue Government"]

[FBIS Translated Text] Nikolay Travkin's attempt to change the balance of forces in the Democratic Party of Russia [DPR] faction and leadership brought about mixed results yesterday. At yesterday's meeting of the DPR political council most delegates voted for the faction's expansion through opening doors to new deputies from other parliamentary associations who, it is expected, are ready to back Travkin in his argument with Sergey Glazyev. The leader's opponents, who managed to call a new roll-call vote on the subject, claim, however, that Travkin's proposal did not pass.

Nikolay Travkin needed to expand his faction in an attempt to take revenge for the defeat inflicted on him by his critics at the meeting of the DPR leadership 11 October. That day most DPR deputies under Sergey Glazyev voted for no-confidence in their leader, following which none other than the DPR sponsored the vote on confidence in the government at the State Duma. Nikolay Travkin came to yesterday's political council meeting with a proposal that four new members from other associations wishing to join the DPR be admitted to the faction, although the DPR leader did not name them or say which factions they represent. His opponents have no doubt, however, that the new faction members are Travkin's loyalists; for this reason, citing demands by regional organizations, they said that changes to the faction's lineup should be approved by a party congress.

Nonetheless, the question of expanding the faction was put to a vote: out of 15 deputies present eight gave Travkin their backing, which was recorded in the minutes. Questioning the authenticity of the minutes, opponents of the DPR leader called another, roll-call, vote, however, in which nine deputies voted against expanding the faction without the congress' consent. Both Nikolay Travkin and his opponents plan to submit their minutes to the State Duma Council, which will have to decide which of them is right.

At the same time, the DPR leader makes no bones about the fact that he needs new faction members first of all in order to recall the request that calls for a no-confidence vote, scheduled for 27 October, on behalf of the DPR once he wins a majority in his faction. Therefore, on the basis of the State Duma Council's decision one will be able to draw conclusions about deputies' sentiments.

However this problem might be resolved, it is becoming increasingly clear that a split in the DPR faction is inevitable. Moreover, Nikolay Travkin himself does not appear to be trying particularly hard to retain unity both in the State Duma and in the party. In particular, he has effectively avoided any reaction to the fact that in the footsteps of the parliamentary faction, four regional chapters expressed no-confidence in him as DPR leader. He has been accused of backing away from his electoral platform and showing complete indifference to the DPR's fate.

All this could prove that Nikolay Travkin has already made up his mind. Back in September he told his colleagues that a single democratic bloc needs to be formed, for which reason the party should start drifting toward the right ("Russia's Choice"). "After which the party will quietly pass away," Travkin concluded at the time. Thus he appears to have found a niche for himself in the upcoming elections. Meanwhile, the DPR leader's opponents in the faction have begun drifting toward the left and are seeking contacts with the communists.

Economic Issues

Yeltsin Chairs Security Council Ruble Discussion

LD1810142594 Moscow INTERFAX in English 1335 GMT 18 Oct 94

[FBIS Transcribed Text] Journalists were allowed in the Kremlin Hall where the meeting of the Russian Security Council met on Tuesday at 2 p.m., under the chairmanship of Russian President Boris Yeltsin, for only half a minute.

Yeltsin announced the only item on the agenda—the report of the state commission created, as Yeltsin put it, to consider the financial situation on 'black Tuesday' (the ruble's plunge against the dollar on October 11 at the Moscow Interbank Currency Exchange—"IF").

Yeltsin asked that the commission's chairmen, Security Council Secretary Oleg Lobov and commission's deputy chairman, Federal Counterintelligence Service Chief Sergey Stepashin, take the floor.

An Interfax correspondent reports that Lobov and Stepashin who arrived five minutes before the meeting, seemed to be prepared to offer their conclusions.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russian President's press secretary Vyacheslav Kostikov, in an interview with Interfax, said that the meeting will not last long.

He promised that the president's press service will make public in several hours the results of the Security Council's meeting. A reliable source told Interfax that the report does not blame concrete persons for the ruble's plunge. It contains the analysis of the reasons behind the financial panic and concrete proposals to prevent any repeat.

Taking part in the meeting are chairmen of the Federal Assembly's houses Vladimir Shumeyko and Ivan Rybkin, Deputy Russian Prime Minister Sergey Shakhray, Defense and Interior ministers, Pavel Grachev and Viktor Yerin, Emergencies Minister Sergey Shoygu, leader of the Foreign Intelligence Service Yevgeniy Primakov, Commander of the Russian Border Troops Andrey Nikolayev, Russian president's senior assistant Viktor Ilyushin and president's aide on national security Yuriy Baturin.

Press Service Describes Debate

LD1810154094 Moscow ITAR-TASS World Service in Russian 1450 GMT 18 Oct 94

[FBIS Translated Text] Moscow, 18 Oct (ITAR-TASS)—A sitting of the Russian Federation Security Council took place in the Kremlin today under the chairmanship of Russian Federation President Boris Yeltsin. The preliminary results of the work of the state commission investigating the causes of the destabilization of the financial market were examined. The Security Council confirmed the assessment of the collapse of the ruble exchange rate on 11 October as an emergency with negative consequences for the people's standard of living, the state of the national economy, the implementation of the policy of reforms, and for international confidence in Russia. These consequences could be exploited by certain political forces to aggravate the situation in the near future, reads a release issued by the Russian Federation president's press service today.

The fall in the ruble rate was the result both of objective overall economic factors—inflation, the continuing slump in industrial production, the budget deficit and others—and also primarily of a lack of coordination in actions, and at times simply inactivity, by the economic bodies of federal executive power and those in charge of them.

The Security Council agreed with the preliminary findings and proposals of the state commission and instructed it to continue work on investigating the causes of the destabilization of the financial market and to present its final report for examination at the next sitting of the Security Council.

The law enforcement bodies have been given instructions by the Russian Federation president to investigate the circumstances that caused the crisis on the financial market which threatened the country's economic security. It has been decided that no specific names of organizations or persons will be made public until the end of the operational investigation.

The Russian Federation Government has been instructed to take immediate steps to stabilize the economic and financial situation in the country.

Decisive Yeltsin Action After Ruble Crash Lauded

MM1910111994 Moscow ROSSIYSKIYE VESTI in Russian 19 Oct 94 p 2

[Article by Lyubov Tsukanova: "Boris Yeltsin Tries To Prevent Political Panic"]

[FBIS Translated Text] The hot fall has arrived somewhat later than the opposition planned and from the direction the authorities never expected. The Anpilov-Umalatova street histrionics are kid stuff compared with the tremor that passed through society when first the ruble rate fell and then, just as swiftly, returned to its previous position. It cast doubt on the government's chief and, perhaps, sole achievement—financial stabilization. The plus was replaced if not by a minus, then by a large question mark. And whatever the outcome of the Security Council commission's investigation, the government is in any case guilty either of deliberately speculating on a fall in the ruble or of failing to master the situation on the financial market. We do not know which of the charges is more dangerous from the viewpoint of the political consequences for the government.

The weakening of the government's positions also objectively weakens the president's positions: The economic course is associated in people's minds not with Chernomyrdin (for all this person's political strength), but with Yeltsin. And it was in the president's interests to keep the situation under control and seize the initiative. Which he actually did on 12 October in announcing the setting up of a state commission to investigate the causes of the ruble's nosedive and immediately dismissing the acting finance minister and suggesting that the Central Bank chairman resign, without waiting for the investigation's results. The drastic measure was not only an a priori avowal of top government officials' guilt, but also an intention to take tough, preemptive action. These tactics have always succeeded for Boris Yeltsin before. The subsequent development of events showed that again they were the right tactics to prevent a political panic and bring the situation into the realm of normal parliamentary discussion. The Duma, which has lost the initiative and is compelled to react not only to events as such, but also to the president's actions, chose to postpone the vote of confidence in the government, already on the agenda, until 27 October. This hiatus is good not only from the viewpoint of the political situation: It enables parliament to be as constructive as possible in its approach to a difficult situation.

The postponement of the Assembly of Public Accord to a later date also appears logical: It would seem entirely

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

inappropriate at the moment. The president obviously wants to preserve at such a critical time the machinery of collaboration between the authorities manufactured by the Treaty on Public Accord. The present crisis is the most serious since the Treaty came into effect and the ability to resolve it with the minimum amount of damage to the country will be a test not only of the effectiveness of the agreement, but also of the political maturity and responsibility of the sides that are party to the Treaty.

Central Bank Spends Gigantic Sums To Back Ruble

MM1810160994 Moscow IZVESTIYA in Russian 19 Oct 94 p 2

[Report by Ivan Zhagel: "V. Gerashchenko's Temporary Replacement Is T. Paramonova"]

[FBIS Translated Text] The Russian president's press service has announced that an edict has been signed according to which, pending the appointment of a new chairman of the Central Bank of the Russian Federation, his duties will be performed by Tatyana Vladimirovna Paramonova.

Until recently T. Paramonova worked as Central Bank deputy chairman and was one of V. Gerashchenko's closest colleagues—not only by virtue of her position, but also in spirit. And it was V. Gerashchenko who made her his deputy. Before this she had worked in several posts in the Central Bank. T. Paramonova is an excellent professional, but she is little known in international financial circles and in Russian political circles. But it was possibly this last circumstance which determined the president's choice, in the hope of thereby averting clashes over an acting Central Bank chairman.

T. Paramonova faces a difficult task: to complete the process of stabilizing the monetary system. And today this is not such a simple task, although, for instance, in the most recent trading on the Moscow Interbank Currency Exchange [MICE], which took place 18 October, the exchange rate remained the same—2,996 rubles [R] to the U.S. dollar. However, what is alarming is that the demand for hard currency again grew rapidly, reaching on this day $300 million. According to available information, the Central Bank was again forced to spend gigantic sums to hold the exchange rate in check.

If this demand for currency is sustained for just a few more days, the Central Bank will be forced either to spend its hard currency reserves, or to let the exchange rate find its own level. The continuing heavy demand for hard currency is evidence that more serious causes lie behind the fall in the ruble exchange rate than the simple connivance or sabotage by a group of persons or banks.

The following paradoxical fact should also be noted: For political reasons the Central Bank is now holding back the dollar exchange rate on the currency market, whereas on the interbank market it is far higher. And it has become very profitable to buy hard currency on the exchange and sell it on the interbank market. Given such a discrepancy no currency reserves will ever suffice the Central Bank in order to stabilize the ruble, and it could again spend its money in vain.

Official Hails Central Bank Appointment

LD1810160194 Moscow ITAR-TASS in English 1417 GMT 18 Oct 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Transcribed Text] Moscow October 18 TASS—"President Yeltsin's decree to appoint Tatyana Paramonova acting president of the Russian Central Bank merely proves the fact that this body is headed by a serious and concerted team," Aleksandr Pochinok, vice-chairman of the Duma committee for the budget, taxes, banks, and finances, told ITAR-TASS today. "Vice-Chairman of the Central Bank Tatyana Paramonova fits very well into it. Her business and professional qualities have earned deserved prestige among financiers," he added.

Pochinok rules out any political considerations behind Paramonova's appointment to this temporary office, which she will hold until a Central Bank chairman is appointed in accordance with the constitutional procedure. He will replace Viktor Gerashchenko, whose resignation was accepted by the president, but not endorsed yet by the State Duma. "I think it is most important now for Tatyana Paramonova to ensure the Central Bank's normal work, not politics," Pochinok stressed.

Yeltsin Orders Creation of Banking Council

LD1810163194 Moscow ITAR-TASS in English 1611 GMT 18 Oct 94

[FBIS Transcribed Text] Moscow October 18 TASS—A national banking council will soon be formed under the Russian Central Bank to involve representatives of the presidential administration, the government, banks and experts in accordance with a presidential decree and in order to upgrade the Russian credit-monetary system, says a report of the presidential press service.

Today's decree of Boris Yeltsin says that the council will be chaired by head of the Russian Central Bank.

Acting chairman of the Russian Central Bank T. Paramonova is instructed to submit draft regulations on the national banking council and proposals on its membership before November 15, 1994. The draft and proposals shall be coordinated with the presidential staff and the government.

The decree enters into force since the moment of its signing.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Bankers Want Professional at Central Bank

MM1810112494 Moscow TRUD in Russian 18 Oct 94 p 1

[Report by Igor Ostrovskiy: "There Was No Conspiracy Against the Ruble"]

[FBIS Translated Text] The board of the Association of Russian Banks held a press conference yesterday for Russian and foreign journalists.

The participants felt it necessary to brief the public on their assessment of the events that led up to "Black" Tuesday 11 October and of the general state of Russia's economy and finances.

The bankers unequivocally sweep aside the accusation of a conspiracy against the ruble's position, a hint of which had appeared in the past week in certain of the mass media.

"The rules by which the Interbank Currency Exchange operates," V. Gusinskiy, vice president of the Association and president of "MOST-Bank," said, "are set by the Central Bank. And they are such that it is impossible to do anything against the will and desire of the country's chief bank. Trying to formulate and carry out a conspiracy, even for a group of the most powerful commercial banks, is tantamount to suicide."

S. Yegorov, president of the Association, expressed the view that what happened was caused not only by the general crisis situation in the Russian economy, but also by the Central Bank's lack of diverse instruments enabling it to control the state of the money supply in the country. What does this refer to? An analysis carried out by a group of experts on behalf of the Association of Russian Banks shows that during the days that preceded the panic on the exchange, there was a significant fall in the volume of sales of state short-term bonds. Consequently, considerable ruble funds were released, which quite naturally ended up on the currency market.

The Central Bank should have not one, as at present, but several instruments—not only short-term, but also medium-term state bonds, gold trading, and much else.

In the bankers' opinion, the state of the currency market was bound to be affected by the state organs' campaign to discredit trust companies like MMM, Tibet, and others. The reduction in interest rates on savings and deposit accounts frightened citizens away from civilized financial structures and boosted interest in hard currency as a reliable means of combating inflation. In the past four months the volume of currency transactions at the commercial banks' exchange points was in excess of $10 billion.

The commercial banks are chiefly interested not in speculation and jumps in hard currency rates, but in a normal, calm economy. Therefore the commercial bankers believe that the government must formulate and publish a program for stabilization and combating inflation.

The bankers also spoke on the subject of the claimant to the vacant post of leader of the Central Bank. They believe that this post should be held not by a politician but by a professional banker. A collective decision is expected on this point in the near future, which will be submitted to the presidential staff and the leaders of State Duma deputies' factions.

M. Yuryev Quits Industrial Policy Council

MM1810115594 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 18 Oct 94 p 2

[Report by Vlad Ivanov: "Businessmen Leave. Soskovets Stays"]

[FBIS Translated Text] Even before it managed to start its activity, the new Council for Industrial Policy and Entrepreneurship under the Russian Federation Government, dubbed "Soskovets's List," by journalists, has started to fall apart. Following in the footsteps of Ivan Kivelidi, Mikhail Yuryev, another deputy coordinator of the council, has also made a decision to leave this organization.

"Personally, I have nothing against Soskovets as an individual, but as a professional Oleg Nikolayevich has not proved his worth in any way," Yuryev said. "We have just seen what happens to the ruble rate when Premier Chernomyrdin goes on vacation for a week, and the first vice premier 'keeps house.' Another consideration is that I do not see any justification whatsoever for the existence of this council. There were two government councils with an utterly clear division of functions and completely different staffing principles: The Council for the Development of Entrepreneurship, headed by Kivelidi, which mainly comprised leaders of business associations, and the Council for Industrial Policy and Entrepreneurship, which I headed, and which included representatives of the regional business world. The only argument in favor of creating one council came from Ye. Lenskiy, Soskovets's adviser, who said that the previous council was too big and that this one would be more mobile. But, as we can see from the list, the new council has turned out to be even bigger than the Assembly of the Land [Muscovite parliament in 16th-17th centuries].

Government To Take 'Tough Antiinflationary Steps'

LD1810141294 Moscow INTERFAX in English 1132 GMT 18 Oct 94

[FBIS Transcribed Text] The Russian government is planning to take a number of tough anti-inflationary steps which are to set the tune for 1995, the head of the analytical center under the Russian president Yevgeniy

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Yasin told a Tuesday conference of analysts from different parts of the federation in Moscow.

He said everything now depends on what the parliament reaction to these government proposals will be and on the 1995 draft budget.

In Yasin's opinion, the main cause of the recent fall of the ruble was the 14 trillion rubles granted by the government and Central Bank in July and August to agriculture and for the financing of winter deliveries of goods to the Far North. "I see no reason for looking for any conspiracy," Yasin said.

In his opinion the money distributed by the government and Central Bank did not reach the right people but flowed instead onto the currency exchange causing the crash of the ruble. He described the current economic situation as extremely complicated. Yasin thinks Russia has entered the most difficult stage of transition: a stage of a structural economic crisis.

At the moment the defense industry, engineering and the textile industry are hit the worst. Still, Yasin said, the main reason for the crisis is the inability of directors to engage in marketing studies.

Yasin believes 1996 presidential elections will become a new turning point in Russian history. He stressed that the elections would take place at a time when the country will still be in crisis.

1994 Oil Production To Be 21 Million Tonnes Below Plan

MK1810100094 Moscow SEGODNYA in Russian 18 Oct 94 p 11

[Unattributed report: "Fuel and Energy Ministry Forecasts 21- Million-Tonne Drop in 1994 Oil Production"]

[FBIS Translated Text] According to Fuel and Energy Ministry forecasts, Russian oil production will be 307 million tonnes in 1994 against the 328 million tonnes planned at the beginning of the year. Ministry specialists have adjusted the figure, taking into account a drop in domestic demand for oil and oil products, and also the insolvency of consumers. By Fuel and Energy Ministry estimates, oil production in 1995 will be 292 million tonnes.

Nuclear & Space Issues

Counterintelligence Service Confirms Uranium Seizure

LD1810140494 Moscow ITAR-TASS World Service in Russian 1244 GMT 18 Oct 94

[By ITAR-TASS correspondent Andrey Palariya]

[FBIS Translated Text] Moscow, 18 Oct—Russian special services seized 27 kg of uranium-238 [as received] during an operation in Moscow yesterday, Monday [17 October]. The Federal Counterintelligence Service [FCS] told ITAR-TASS today that an attempt to sell the radioactive material had been foiled as a result of a combined operation between the FCS directorate for economic counterintelligence and the Interior Ministry's main directorate for combating organized crime. The FCS made it clear that uranium-238 is not suitable for production of nuclear weapons.

The participants in the abortive deal have been detained. An investigation has been launched.

Plans for Southern Space Center Aired

MM1810111594 Moscow Ostankino Television First Channel Network in Russian 0700 GMT 9 Oct 94

[From the "Test Range" program: Video report by various unidentified narrators with footage attributed to "Voyen-TV"]

[FBIS Translated Text] [Narrator] Knowledge knows no bounds. Having conquered dry land, man turned his attention to the oceans. Then he went on to learn to fly. But even this was not enough, and space exploration was to become the next stage in his development. Moreover, paradoxical as it may seem, the main incentive was an aspiration to attain supremacy over his neighbor and in this way to guarantee his own security. Having begun on land, military rivalry moved into space. It is there that the potential which will guarantee the country's security in the future is now being created. At the present time around 130 states are involved in space exploration. Of these, more than 20 are implementing their own programs. As for militarized space, by far the strongest position here is occupied by the United States, which has 150 spacecraft designed for military purposes. And this is despite the fact that first-place honors in conquering space belong to Russia, which launched the first artificial earth satellite and was first to put a man into space.

Undoubtedly such close attention to space is conditioned first and foremost by its possibilities in guaranteeing a country's defense capability and in increasing the efficiency of military activities conducted by the Armed Forces. Confirmation of this is the fact that the U.S Congress, which is well able to count the pennies, nevertheless has not cut a single cent from the multibillion SDI program. As for Russia, faced now with many territorial claims, the only real force capable of guaranteeing its security and sovereignty is the Armed Forces. But in conditions of large-scale cuts, the need to increase the quality of the weaponry and the efficiency of their application moves to the fore. Which, as of today, is impossible without the use of the technologies now at the disposal of the Military Space Forces.

[V. Uvarov, sector chief in the General Staff Main Operations Directorate, identified by caption] The defense of the country must be effected with high efficiency weaponry. We must resist those who dare to or attempt to attack our country not only through quantity,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

not only through high technical potential, and not only through the ability to move an avalanche of tanks into front-line positions or put a veritable armada of aircraft into the air. Our weapons must be of very high quality—this is essential today. You cannot call half the country to arms. But nowadays the quality of arms is determined first and foremost by the exploitation of space hardware.

[Narrator] It was on 4 October 1957 that the first Soviet satellite was launched into space. Russia's Military Space Forces mark this day as their anniversary. Few people know that flights by our spacecraft are controlled not from the famous mission control center which we have often seen on television but from another control point which is also located near Moscow. More than 50 percent of the tasks entrusted to our homegrown space facilities are aimed at guaranteeing the country's defense capability. At present the Military Space Forces carry out the preparation, launch, and control of all spacecraft. Over 85 percent of the funds allocated to the military space sphere are concentrated in the Military Space Forces. They have experience of controlling large-scale orbital groupings of up to 200 spacecraft.

Today, space has become a fundamental link in tackling strategic intelligence tasks, in forewarning about preparations for and the launch of hostilities, in communications, military command and control, navigation, and meteorological and topogeodetic provision, as well as in monitoring compliance with relevant treaties and agreements. The speedy acquisition of intelligence and other information from space and the efficient management of the activities of operational and strategic forces using space hardware during the Gulf War confirmed in practice their important role in achieving military aims and guaranteeing security.

[A. Zapadinskiy, Chief of "Main Center," identified by caption] The Gulf War is the clearest example of a situation in which all military activities involved the use of space hardware and in which the multinational forces, primarily the U.S. Armed Forces—that was the task force set up—made extensive use of spacecraft to attain a variety of information. First and foremost, reconnaissance information. Virtually all communication and navigation was conducted via space. Even tiny subunits and individual groups of soldiers had navigation receivers and were able, in the desert, in an unmarked locality, to determine their whereabouts with an accuracy down to 150 meters. In particular, it is worth noting that for these military actions in the Persian Gulf an orbital grouping of intelligence spacecraft was specially put in place by the United States.

[Narrator] An analysis of the program of scientific and technical research in the U.S. Air Force shows that the achievement of technological supremacy over a potential enemy remains the main long-term aim of the national space program. It is aimed at securing the leading position in key areas of space activity with exclusive significance for U.S. national security. At the present time, there exist in the United States a unified space command and a space command of the armed services, with an overall strength of more than 40,000 people. The orbital space grouping numbers over 50 military spacecraft. Financial outlay on the implementation of military space programs for 1994 exceeded $15 billion, which constitutes around 6 percent of the U.S. Defense Department budget. Chairman of the U.S. Armed Forces Joint Chiefs of Staff General McPeak is convinced that the capacity to exploit space is becoming the most important factor determining the status of a great state. He stresses that space is fast becoming the central element of American strategic forces.

[V. Uvarov] Around 40 spacecraft were involved in carrying out that operation. That is, flights were controlled by a space-based navigation system. There was extensive use of meteorological complexes, intelligence complexes, and imaging and electronics reconnaissance. The unique American ballistic missile early warning system was also brought in.

[Narrator] Russia also has real potential to guarantee the defense of its vital interests on the basis of the prompt receipt of information using space hardware and to respond effectively to threats in any region of the world, exercising its capacities and rights to self-defense in line with Article 51 of the UN Charter. The technical basis for this is a permanently operational orbital grouping of 160-180 spacecraft, a ramified ground-based control network, and launch complexes. Responsibility for the operation and exploitation of these structures lies with Russia's Military Space Forces. As of today, Russia's Military Space Forces implement the preparation and launch of all space hardware without exception. In practice, full control over spacecraft in orbit, including civilian spacecraft, also lies with the Military Space Forces. This is how things stand as of today. But does Russia need Military Space Forces and a military presence in space in the years to come? After all, the process of detente is picking up pace throughout the world. A number of agreements to reduce arms have been signed, and we ourselves are cutting the Armed Forces. This is indeed the case but, at the same time, in recent years there has been a clear trend toward increasing the role of space in ensuring the success of troops' military actions. In the main this is determined by the following factors: first, a significant reduction in the overall number of nuclear facilities, as a consequence of which the need emerges to protect them better and use them more effectively in the conditions of a possible counterforce attack. Second, the alteration of the actual composition of strategic offensive weapons in favor of mobile nuclear facilities, which gives rise to specific difficulties with both their use and their detection. Third, the threat of the appearance of weapons in space, and the dissemination of nuclear missile weapons and space technologies across Third World countries. And finally, the appearance of new systems of high-precision weaponry leading, in turn, to a change in the forms and means of conducting military actions. In such conditions, the main

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

task of the Military Space Forces consists in the deployment and maintenance at the required level and in good working order of orbital groupings of space systems guaranteeing strategic advance warning of preparations for and the unleashing of hostilities

[V. Uvarov] Russia's space hardware is currently observing various regions of the planet, facilities, military-political and administrative facilities, and military facilities for the purposes of determining their condition and their readiness for possible military actions against Russia.

[A. Zapadinskiy] The Military Space Forces budget, which comes mainly from the center, is not particularly large in the overall Defense Ministry system. But the returns on the funds invested in space programs, including military programs, are significant. There has been a one and a half to twofold increase in the efficiency of use of various types of arms. As for the Ground Forces, ammunition consumption can be reduced by means of increasing efficiency in the use of weaponry and accuracy in targeting sites by means of fuller identification of the targets—this applies to the Ground Forces. For the Air Force this means increased accuracy of navigation for aircraft in flight, targeting accuracy, and accurate in-flight corrections in the targeting of cruise missiles. Accuracy in dropping bombs is increased. In the Navy, too, there are navigational tasks and tasks involving the exchange of operational and intelligence information on the enemy in sea and ocean theaters of war.

[V. Uvarov] In places where, in former times, 10-15 pieces of ammunition were needed to take out a target, today, with the use of space, it is possible to get away with just one or two. Space opens the way for drawing up very accurate maps and carrying out very detailed and very objective intelligence work in general. Space allows for weapons to be aimed directly at the targets. That's space for you—it means highly efficient weaponry.

[Narrator] In the conditions of a sharp reduction in the strength and weaponry of the Russian Army, space could play an invaluable role in raising its combat capability and efficiency in using available weaponry. Moreover, in order to do this there is no need to deploy additional space systems. Those already in place are more than sufficient. The problem lies in introducing space technologies among the troops.

[V. Ivanov, commander of Russian Military Space Forces, identified by caption] You know, of course, at the present time the most important thing, undoubtedly, is people and, of course, financial allocations. The question is not an easy one. Given the allocated budget, and given what has been allocated to the Military Space Forces, it is not easy to tackle the tasks in hand, but we are tackling them.

[Narrator] The financial problems blocking the road to the introduction of space technologies into troop units are not, unfortunately, the only ones. Aside from objective reasons, there are also subjective reasons. But is the Defense Ministry leadership capable of resolving these without outside help?

[V. Uvarov] All the commanders in chief, the chiefs of the main staffs, and all the staff structures among the troop units grew up before the space era. They do not utilize it. They do not understand it properly, in my view. Therefore, subjectively, they are not the driving force for introducing the troops to space. There is nobody responsible for introducing space technologies. For instance, there are no structures in the Ground Forces directly tasked with making use of space technologies within the Ground Forces.

[Woman narrator] The Mozhaysk Academy is the world's only specialized space higher military training institute. Its history has its roots in the era of Peter the Great when, in 1719 in St. Petersburg, on the direct instructions and under the direct supervision of Peter I, the first Russian military engineering school was set up. Over the years the heroes of the 1812 war studied and trained here—Field Marshal Kutuzov, Generals Dorokhov, Seslavin, and Zasyadko. As well as leading Russian scientists Lomonosov and Mendeleyev. Nowadays training for Military Space Forces officers at the Mozhaysk Academy is carried out in nine faculties. Outstanding figures in Russian Federation science and technology teach here, including 65 doctors and around 600 candidates of sciences. The Mozhaysk Academy is one of Russia's most prestigious military training institutions.

[A. Zapadinskiy] The need has arisen for our military engineering space adacemy—the Mozhaysk Academy—to train specialists for the various branches of the Armed Forces who know how to use space technology in the interests of a particular branch of the Armed Forces.

[Narrator] It cannot be said that the Defense Ministry leadership does not understand the advantages which space gives to the Armed Forces. Confirmation of this is the fact that, despite a meager military budget, today's General Staff is wise enough more or less to meet the financial problems of the Military Space Forces. As for military-space programs, here the major part of the funds will be directed at introducing into the Armed Forces space systems for navigation, control, communications, and reconnaissance. As of now this potential is underexploited by the troops.

[V. Uvarov] Indeed, no such thing was included in the unified program. But under the program it is proposed to spend the greater part of the funds on introducing the troops to space. That is, the creation of a consumer-friendly system that will allow everyone, right up to platoon commander, to conduct space communications today and enable everyone, right up to platoon commander, to have the precise coordinates of his whereabouts. This is the practical application of space hardware within the troops. This is one of the special elements of this program.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Narrator] As for the Military Space Forces' internal problems, these are linked primarily with the breakup of the once-unified space system which functioned within the framework of the Soviet Union. As a result of its collapse, units responsible for monitoring and controlling space apparatus, production facilities, and the Baykonur Space Center have ended up on the territory of other sovereign states. Although the first two problems have been more or less solved thanks to the equippping of three special-purpose control and telemetry complexes and the redistribution of orders to Russia's industrial enterprises, the problem of putting spacecraft into orbit remains open. The problem is that Baykonur which, in 40 years of active space exploration, has swallowed up huge amounts of money—mainly Russian money—is now the property of the Republic of Kazakhstan. But Plesetsk, the so-called northern space center which still remains in Russia, is not yet able to tackle these tasks fully.

[V. Uvarov] On the Plesetsk site there are no launch pads for vehicles to put satellites into geostationary orbit—in other words, into the equatorial plane. This means virtually all satellite-based communications systems. And advanced military systems.

[Narrator] In this way, carrying out the Russian space program and maintaining orbital space systems in the established composition and in good working order is in practice dependent on the Republic of Kazakhstan. The proposed lease of Baykonur will cost us a pretty penny. To be precise, $115 million a year. That is more than 50 percent of the annual expenditure on all space-related scientific, research, and design work in Russia. And in 20 years, which is the lease period envisaged by the agreement, this sum will come to 3.5 times the budget of all military research and development centers. Moreover, this money is merely to rent Baykonur. Even more will have to be invested to keep it in good working order. At the same time, Russians will have no guaranteed access to space. We will still have to depend on another state, albeit a friendly state.

[V. Uvarov] It is for this reason that Russia has to have its own space center. Russia cannot depend on the sympathies or antipathies of another republic or another country.

[Narrator] The only place to launch spacecraft on our country's territory is the Plesetsk Space Center. It is this space center which has been given a key role in securing Russia's guaranteed access to space. By the year 2000 it is planned to transfer the launches of virtually all military spacecraft there from Baykonur. It is also planned to develop an entire series of advanced space systems and complexes, which will provide a qualitatively new means of tackling communications, navigation, and combat control tasks.

[V. Ivanov] The outlook is such that new systems will ultimately have to come into use that will handle tasks more effectively, with less expenditure and less personnel involvement. The immediate task for the Military Space Forces is to increase the capacities and strength of the Plesetsk Space Center. This concerns first and foremost the "Zenit" space launch system.

[Woman narrator] The Plesetsk Space Center is the world's most northerly space center. Its facilities comprise nine launch complexes catering for the preparation and launch of over 20 types of spacecraft. It is from the Plesetsk Space Center that launches of light and medium launch vehicles take place. Since it opened it has prepared and put into orbit around 1,500 spacecraft. This makes up 60 percent of the overall number. At the present time Plesetsk is the world's most overworked space center in terms of launches. It is planned to construct two new launch pads here, and to equip telemetry complexes with control facilities, to modernize communications facilities, and to commission a nitrogen-dioxide [kislorodno-azotnyy] plant and a complex for storing and preparing rocket fuel.

[Narrator] However, because of its geographical location, climatic conditions, and northern ecology it is inexpedient to construct launch pads for heavy launch vehicles at Plesetsk. Nor is it desirable to concentrate all launch facilities in one place. The United States, for instance, has three space centers.

[V. Ivanov] There are instructions to study the possibility of constructing a space center on the missile division base in Svobodnyy.

[V. Uvarov] We have looked at several regions of Russia. One of the main requirements for a future space center is that it be located in as southerly a location as possible on Russian territory. The second basic demand which we took into account is that there be as little damage as possible to the environment and people. We settled on Svobodnyy.

[Narrator] Thanks to its geographical location alone, the same launch vehicles starting out from a Svobodnyy space center could take payloads into space 25 percent heavier than those from the Plesetsk Space Center. This gives a saving of $10 million per launch. Moreover the space center will not have to be constructed from scratch.

[V. Ivanov] A technical complex and launch site, indeed, a whole infrastructure is already in place at Svobodnyy. We estimated the value of these to be somewhere in the region of 180 billion rubles in prices as of 1 March this year.

[V. Uvarov] There are missile troop units in the locality. There is an infrastructure there—facilities, residential, technical, and production facilities which could be used for the development of the space center. You know, there are some unique equipment and unique systems there. The Svobodnyy Space Center will be magnificent. Then people will thank us. The space center will be Russia's pride and joy.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Narrator] The development of the Plesetsk Space Center and the creation of the Svobodnyy Space Center will guarantee Russia's independence in implementing both military and civilian space programs. And in the long term it will establish Russia's status as a great space power and so guarantee its security and sovereignty. [Video shows space launches, interior and exterior of main control center, various applications of space forces, missile destruction, train-based missile, military exercises, hardware, Mozhaysk Institute, footage of Baykonur and Plesetsk, numerous interviews.

Federal Assembly

Duma Plenary Not To Discuss Gerashchenko Resignation

LD1810170094 Moscow ITAR-TASS in English 1625 GMT 18 Oct 94

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow October 18 TASS—A Duma plenary scheduled for October 19 will not discuss resignation of Viktor Gerashchenko, in accordance with today's decision of the chamber council, head of the Duma committee for budget, taxes, banks and finances, Mikhail Zadornov told correspondents here today.

In his words, the Duma will have to amend the draft resolution of the Duma budget committee proceeding from today's presidential decree that nominates acting chairman of the Russian Central Bank. "There are also some legal disputes" between Duma factions that have to be settled, said Zadornov. The resignation will be discussed in several days after a common stand is elaborated.

Duma Adopts Pension Fund Budget Law

MM1810124194 Moscow ROSSIYSKAYA GAZETA in Russian 18 Oct 94 p 4

[Report by Irina Nevinnaya: "Commentary on Document: Unchanged on the Pension Front"]

[FBIS Translated Text] The State Duma has adopted in its entirety [v tselom] the federal law on the Pension Fund budget for 1994, the draft of which was submitted by Pension Fund Chairman V. Barchuk. Budget expenditure has been set at 38.6 trillion rubles. This will make it possible, as outlined in the president's August edict, to implement the phased indexation of pensions by factors of 1.15, 1.3 and 1.51 in August, September, and October respectively. In his statement V. Barchuk confirmed that this month pensioners will be provided with compensation for payment shortfalls, should they have occurred in August and September.

As for the immediate future, the State Duma is to ratify another draft law currently being examined by the president, namely the federal law on raising minimum pensions and the procedure for indexing and recalculating these pensions in accordance with the law. This draft has been prepared with an eye to the real financial state of affairs in the Pension Fund. Thus, according to Barchuk, in November pensions may be increased by only 7 percent on the October level.

Although a number of deputies have advocated raising the minimum pension to the minimum subsistence level, no one could see any real opportunity of doing so.

Yeltsin Asked To Reconsider Oblast Dismissal

MM1810115394 Moscow ROSSIYSKAYA GAZETA in Russian 18 Oct 94 p 4

[Decree No. 1216-I SF of the Russian Federation Federal Assembly Federation Council "On Federation Council Deputy Yu.Ye. Lodkin," signed by V.F. Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council, and dated 7 October 1994]

[FBIS Translated Text] By edict No. 1453 of the Russian Federation president of 25 September 1993 "On the Head of the Bryansk Oblast Administration," Bryansk Oblast Administration Head Yu.Ye. Lodkin, who was elected to this post by the oblast's population, was barred from performing the duties of head of the oblast administration for actions aimed at nonfulfillment of Russian Federation Presidential edict No. 1400 of 21 September 1993 "On Stage-By-Stage Constitutional Reform in the Russian Federation."

Mindful that subsequent normative acts of the Russian Federation president and the chambers of the Russian Federation Federal Assembly eliminated the political and legal grounds for penalties under the law for involvement in the events of September and OCtober 1993, and in accordance with the recommendations of the Russian Federation General Prosecutor's Office set out in a letter to the Russian Federation presidential staff dated 30 March 1994, the Federation Council decrees that:

The president of the Russian Federation shall be asked to resolve the question of Federation Council Deputy Yu.Ye. Lodkin in accordance with current legislation.

[Signed] V.F. Shumeyko, chairman of the Russian Federation Federal Assembly Federation Council
[Dated] Moscow, 7 October 1994

Regional Affairs

Dudayev Forces Launch Offensive 19 Oct

LD1910093094 Moscow ITAR-TASS in English 0920 GMT 19 Oct 94

[By ITAR-TASS correspondent Vadim Byrkin]

[FBIS Transcribed Text] Moscow October 19—Major government forces of Chechen President Dzhokhar Dudayev launched an offensive Wednesday morning on

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the strongholds of the opposition in the settlements of Urus-Martan, Goity and Gekhi.

A spokesman of the opposition Provisional Council told TASS by telephone that there are numerous casualties among civilians in the villages.

TASS correspondent in Groznyy reported, quoting various sources in the Chechen capital and a telephone talk with Urus-Martan settlement, that Dudayev's forces had blocked and attacked the territory of a former military unit there which is now used by opposition forces under the command of Bislan Gantamirov.

Fighting is now going on in the outskirts of Urus-Martan. Government forces use artillery to shell living quarters and administrative offices in the settlement.

Further on Offensive Against Opposition

LD1910104094 Moscow ITAR-TASS in English 1028 GMT 19 Oct 94

[By ITAR-TASS correspondent]

[FBIS Transcribed Text] Moscow October 19 TASS—Dzhokhar Dudayev's troops, reinforced by 10-12 pieces of armour and heavy artillery, launched an offensive in the morning today in the Urus- Martan direction. They dealt blows on the opposition-controlled populated localities of Urus-Martan, Goity, and Gekhi.

ITAR-TASS was told at the information committee of the Chechen Provisional Council that there were numerous casualties among the civilian population. Their exact number is now being checked. Local hospitals are full of wounded people.

According to fragmentary reports, gathered by ITAR-TASS from various sources in Groznyy and Urus-Martan, the government forces have blocked off and attacked the territory of a former military unit, where Bislan Gantamirov's detachments are now dug in. According to reports received before 12.30 local time, fighting is continuing in the suburbs of Urus-Martan. Dudayev's troops are shelling residential districts and administrative buildings.

The numerically weak contingent opposing Dudayev, it is believed at the Provisional Council, makes lengthy resistance quite hopeless. Moreover, the town's considerable distance from Nadterechnyy District, where the principal forces of the joint opposition are based, rules out timely aid to Gantamirov's detachments.

Nevertheless, ITAR-TASS was told at the information committee, reinforcements are moving towards Urus-Martan from Znamenskoye. The Provisional Council's helicopters have not been used against Dudayev's troops so far.

Dudayev Appeals To Opposition To Lay Down Arms

LD1810205994 Moscow ITAR-TASS World Service in Russian 1944 GMT 18 Oct 94

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 18 Oct—"If the so-called 'opposition' lays down its arms in the next three days their lives will be guaranteed. If this does not happen, we will use force to make them do it," President of the Chechen Republic Dzhokhar Dudayev declared. He has just made a joint statement on Groznyy television with Aslan Maskhadov, chief of general staff of the Chechen armed forces.

Dzhokhar Dudayev noted that he and other representatives of official Groznyy had for more than three years suffered taunts directed against the authorities and the Chechen people in the hope that those opposed to the republic's freedom and independence would change their minds. We do not intend suffering this any more, and the people who came out onto Liberty Square will not permit us to, he stressed. The Chechen president showed viewers a file which, he said, contained information about all of the opposition figures. We will give them a last chance to stay alive—to give themselves up, he said. If they do not think again—we will destroy them.

The inhabitants of all the villages and towns are invited to set up freedom committees and sort out for themselves who is the friend of the people and who is their enemy. All the civilians are also urged to stay away from the "nests of the opposition" which are to be destroyed when the time of the ultimatum expires.

Aslan Maskhadov addressed the opposition with these words: "Until now, we were trying to avoid armed confrontation with the enemy. Now they have demonstrated that all things Chechen are alien to them. They have neither ideas, nor aims apart from desire for Russian money and lucrative appointments. Now there should be no doubts that we a right and they are wrong."

Both speakers expressed confidence that the evil brought to the Chechen land by people who betrayed the national interests and their "Moscow supporters" will be destroyed with support of all the Chechen people.

Altay Kray Grain Harvest Estimated at 3 Million Tonnes

MM1810142594 Moscow SELSKAYA ZHIZN in Russian 18 Oct 94 p 1

[Report by ITAR-TASS correspondent Valentin Pavlov: "Grain Harvest Over in the Altay"]

[FBIS Translated Text] Barnaul, 17 Oct—The grain harvest is over in Altay Kray. Almost 800,000 hectares of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

grain fields were lost by the end of the harvesting period here as a result of the summer drought and torrential-rains and hurricanes in the fall. Nevertheless, over 3 million hectares have—with great difficulty—been harvested. The total grain harvest expected is around 3 million tonnes. As your ITAR-TASS correspondent was informed by Nikolay Iost, deputy chief of Altay Kray Agricultural Administration, there are no problems selling the grain; the kray will be self-sufficient in grain. According to him, the formation of a regional grain stock is making succesful progress; only 15,000 out of 450,000 tonnes of grain have been sold to federal stocks because of long delays in receiving payment.

Financial difficulties were the main problem during the grain harvest; they are also currently affecting the harvesting of beets and sunflower seeds and the tilling of fall plowland. All the work rates here are considerably down on past years as machinery often lies idle in the fields for want of fuel.

Shell To Drill for Oil in N. Krasnoyarsk Kray

MM1810132594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Oct 94 p 1

[Unattributed report: "Vankor, Vankor Again"—from the "Delovoy Vtornik" section]

[FBIS Translated Text] The multinational Shell oil company intends to take part in drilling for oil and gas in the north of Krasnoyarsk Kray. It is primarily interested in the "Vankor" field, located northwest of Igarka.

"Up to 4 million tonnes of oil a year could be lifted in the first phase," Vasiliy Nakaryakov, president of the "Yeniseyneft" Joint-Stock Company, reported. "Our foreign colleagues are attracted by the scale of local hydrocarbon production. After all, there are a few more fields in addition to 'Vankor.'"

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Report on Clinton-Kuchma Telephone Conversation

AU1810164494 Kiev URYADOVYY KURYER in Ukrainian 15 Oct 94 p 1

[Unattributed report: "A Telephone Conversation Between the Ukrainian and U.S. Presidents"]

[FBIS Translated Text] As reported by the Ukrainian Presidential Press Service, on 13 October, a telephone conversation took place between the presidents of Ukraine and the United States. It dealt with the forthcoming visit to Washington by the head of the Ukrainian state, Leonid Kuchma. The U.S. President stressed that "the visit will proceed at the highest level."

Bill Clinton gave Leonid Kuchma's policy speech at the Supreme Council session a high assessment and pointed out his "courage and determination." He was also pleased with Leonid Kuchma's proposal for the Ukrainian parliament to speed up the ratification of the Nuclear Nonproliferation Treaty. In turn, B. Clinton said, work continues in the United States on speeding up financial assistance to Ukraine.

Leonid Kuchma thanked the U.S. President for his support of Ukraine at the Madrid conference of managers of the International Monetary Fund and the World Bank that was held on 4-6 October. He confirmed that Ukraine would not abandon the course toward implementing radical economic reforms. Ukraine accepts with gratitude the international financial assistance offered. Leonid Kuchma informed the U.S. President that, by the end of the current year, Ukraine will need about $1 billion to pay for critical imports, primarily for energy sources.

The Ukrainian president expressed a hope that, in the course of the forthcoming meeting in Washington, a positive decision will be adopted on assistance to Ukraine by donor countries.

The presidents of the United States and Ukraine expressed mutual striving to sign the Charter on Cooperation during the visit by the official delegation to Washington.

Defense Ministry Officials on Partnership for Peace

LD1810165894 Kiev UNIAR in Ukrainian 2215 GMT 17 Oct 94

[FBIS Translated Text] Kiev, 17 Oct—A news conference by Major General Vadym Hrechaninov, assistant to Ukraine's minister of defense on military policy issues, and Dmytro Shkurko, an officer in the Defense Ministry's press service, was devoted to Ukraine's participation in the NATO program "Partnership for Peace" [PFP]. Hrechaninov related the history of the emergence of the NATO "Partnership for Peace" initiative. He noted that a security vacuum had arisen in Eastern Europe after the collapse of the Warsaw Pact. The states of this region had been accustomed to guaranteeing their security by being part of a bloc.

In view of this, according to Hrechaninov, a series of interesting initiatives had appeared. Polish President Lech Walesa had proposed that the states of Eastern Europe set up something like NATO-2. Leonid Kravchuk, the first president of Ukraine, also proposed that a security zone be set up between the Baltic and Black Seas.

The NATO states, Hrechaninov stressed, understood the impossibility of Eastern Europe entering the NATO bloc, but the "Partnership for Peace" initiative had become a chance to cooperate. Ukraine was the first CIS country to enter into the partnership. Thirty-eight states are taking part in the partnership in all.

The Ministry of Defense press service officer reported on the first joint field exercises of NATO and its partner states, which took place in Poland on 9-17 September this year. A motor rifle platoon from the Zalizna Division of the Carpathian military district, commanded by Senior Lieutenant Andriy Fedorov, took part in the exercises from Ukraine.

The next such exercises will take place in Holland on 21-28 October, where Ukraine will be represented by a paratroop platoon.

National Affairs

Parliament Lifts Ban on Communist Party Activity

LD1810173894 Moscow ITAR-TASS in English 1548 GMT 18 Oct 94

[By UKRINFORM correspondent Aleksander Litvinov for TASS]

[FBIS Transcribed Text] Kiev October 18 TASS—The Ukrainian parliament on Tuesday lifted the ban on the activity of the Ukrainian Communist Party. After a prolonged and stormy debate, the parliamentary session lifted the 1991 decrees of the presidium of the Ukrainian Supreme Soviet for the cancellation and ban on the activity of the Communist Party. As many as 201 deputies out of almost 360 voted for lifting the ban.

Deputies Protest Ban Lifting

LD1810220394 Kiev UNIAN in Ukrainian 1945 GMT 18 Oct 94

[FBIS Translated Excerpt] Kiev, 18 Oct—[Passage omitted] UNIAN has already reported that Supreme Council of Ukraine Chairman Oleksandr Moroz halted this evening's sitting, declining to give the floor to the deputies protesting against the result of the vote. A joint sitting by the right-wing groups of deputies decided to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

issue a statement on 19 October demanding that the results of the vote on the resolution on lifting the ban on the Communist Party should be deemed invalid and, after deliberations on Ukrainian President Leonid Kuchma's program, they seek the withdrawal of this unlawful decision.

People's deputy Les Tanyuk and other members of parliament claim that, itself due to no accident, this move by Oleksandr Moroz aims to disrupt a debate on the presidential address, on many points unsuitable to the parliamentary majority of the left.

Deputy Hryhoriy Manchulenko believes that today demonstrated the pressing need for a declaration on the principles of opposition to be finally formulated.

A number of deputies announced they were beginning to assemble signatures demanding Oleksandr Moroz's resignation.

Petro Sheyko, chairman of the Supreme Council committee for regulations, deputies' ethics, and provisions for deputies' activity, who attended the sitting by the groups, said the committee on 19 October was to report on the outcome of a check into the facts cited by deputies but that "it is obvious even now that there were certain violations in the course of the vote."

Kravchuk, Rukh Leader Comment

LD1810201094 Kiev UNIAN in Ukrainian 1600 GMT 18 Oct 94

[FBIS Translated Text] Kiev—Leonid Kravchuk, ex-president of Ukraine, referred to the experience of Russia, saying that to settle the issue of Ukraine's Communist Party activity is not in the Supreme Council's competence. He considers this to be the prerogative of a constitutional court "which ought to have been formed long ago." Leonid Kravchuk stressed: "One cannot interpret the constitution in parliament because a vote there is cast on the basis of political ambitions rather than legal norms. Deliberations on this issue by the deputies is nonsense in legal terms."

Stepan Khmara, leader of the Ukrainian Conservative Republican Party, said that rescinding the resolution banning the Communist Party was ill-prepared from the legal point of view. He believes that for the Supreme Council discuss this issue was crafty, as the Supreme Council also on 18 October confirmed Leonid Kravchuk's powers as a deputy without having sufficient grounds to do so.

Ivan Zayets, member of the Rukh [People's Movement of Ukraine] group of deputies, believes that the results of the vote were falsified. A number of deputies, in his words, voted with others' cards, which grossly violates the Ukrainian Constitution. "This demonstrates that Communists for the sake of achieving their bloodthirsty goal are ready to resort to any action in breach of the Constitution," he stated.

Vyacheslav Chornovil, Rukh chairman, said: "A false ideology calls for false methods." He added that actions such as voting with other deputies' cards in Poland, for example, is cause for criminal proceedings to be instigated.

Vyacheslav Chornovil announced that the parliament's Rukh group intends to issue a statement on violations of the voting procedure. He did not rule out a boycott of Supreme Council session sittings by national democratic deputies' groups.

Borys Oliynyk of the Communists of Ukraine group said that the fact of revoking the resolution banning the Communist Party proved a transition to a law-governed state is under way in Ukraine. He dismissed forecasts of growing social tension after this decision by the Supreme Council. He said: "Society, on the contrary, will consolidate."

Borys Oliynyk added that the rehabilitation of the Communist Party does not automatically mean that those who headed the party under the ban will return to its leadership.

Deputies Warn Kuchma on Chernobyl Issues

AU1910113494 Kiev HOLOS UKRAYINY in Ukrainian 18 Oct 94 p 1

[Unattributed report: "As Though There Had Been No Chernobyl at All"]

[FBIS Translated Text] At a meeting of Ukraine's Supreme Council Commission for Issues of the Chernobyl Catastrophe, the people's deputies expressed their extreme concern about the fact that the Presidential speech did not even mention such an important question as outlining ways to overcome the consequences of the Chernobyl catastrophe and social protection of those people who had been affected by the accident at the Chernobyl Atomic Electric Power Plant. As pointed out, this problem is today very acute and concerns one in every 10 residents of Ukraine. The disease rate on territories, contaminated with radioactivity, is between eight and 10 times higher than similar indexes in other regions of the country. The death rate among the victims increases from year to year.

At the same time, the executive authorities are trying to cut the list of monetary compensations to the population and to totally destroy the available system of social protection.

The commission hopes that, in the future, the so-called Chernobyl factor will also occupy an appropriate place in the Ukrainian presidential activity program. Otherwise, if this is the president's official position, Ukraine's Supreme Council Commission for Issues of the Chernobyl Catastrophe may disagree with it.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Chernobyl 3d Power Unit Halted Due To Damage

WS1810160494 Kiev Ukrayinske Radio First Program Network in Ukrainian 1500 GMT 18 Oct 94

[FBIS Translated Text] During yesterday's regular inspection of equipment at the Chernobyl nuclear power plant's third power unit, damage was discovered in the duct of the reactor's process channel [trakt tekhnolohichnoho kanalu reaktora]. In accordance with the rules, the unit was halted to eliminate the damage. As Borys Honcharov, acting chief engineer of the Chernobyl nuclear power plant, told UKRINFORM, there were no deviations regarding the plant's safe operation. The damage is to be eliminated within seven days.

Crimea's Meshkov Denies 'Shadow' Government

LD1810163694 Kiev UNIAN in Ukrainian 1310 GMT 18 Oct 94

[FBIS Translated Text] Kiev, Simferopol—Crimea's President Yuriy Meshkov denied today the rumor that his is forming a "shadow" government. In his view, the rumor appeared because the "Moscow team" remained in Crimea. Today, former Ministers Yevhen Saburov, Lyudmyla Zaytseva, Andriy Chernyavskyy, and Lyubov Yeliseyeva-Bora are working as advisers to the president.

Yuriy Meshkov made this statement after a news conference yesterday during which Parliamentary Chairman Serhiy Tsekov confirmed that he had information about the formation of a "shadow" government. "I do not know how serious this is, but do not deny such a possibility," he added.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belarus

Defense Minister on Withdrawal, Accusations

WS1810100094 Minsk ZVYAZDA in Belarusian 12 Oct 94 pp 1, 2

[Interview with Colonel General Anatol Ivanavich Kastenka, Belarusian defense minister, by Valyantsin Zhdanko; place and date not given: "I Have Never Provided and Will Never Provide Reasons To Doubt My Loyalty to the Belarusian State and People"]

[FBIS Translated Text] [Zhdanko] **We could watch for several days on end on our television how the Armed Forces transferred free trucks to kolkhozes and sovkhozes. I must admit that I asked myself involuntarily if it were more logical—given the current situation of a catastrophic lack of money—to sell these trucks?**

[Kastenka] This problem has two aspects. First of all, the Cabinet of Ministers has adopted a corresponding resolution regarding the transfer of 500 trucks. We must implement this resolution. In addition, this resolution has been confirmed by the new Cabinet of Ministers. Second, we fully realize the current situation in the agricultural sector. It is really difficult for an average kolkhoz or sovkhoz to allocate money for buying a truck. By the way, these trucks have already been written off. I even thought at the beginning that many kolkhozes and sovkhozes would reject our offer. These trucks are of the fourth and fifth category, they are not new. Their engines are not economical. They are, however, in a good state of repair and can be used for quite a long time to come. Of course, we could sell them. In my opinion, the political and social importance of this action considerably exceeds the profits which the Defense Ministry could derive from selling these trucks.

[Zhdanko] **Far from all the kolkhozes and sovkhozes have received free trucks. Have any agricultural collectives been left out?**

[Kastenka] We transferred more than 500 trucks at the beginning. Following a decision by Prime Minister Mikhail Chyhir, we can transfer an additional 50 trucks. We will do this. I have plenty of requests for trucks. Some organizations have not been included on initial lists for a variety of reasons and we would not like to offend any of them.

[Zhdanko] **My next question deals with the withdrawal of Russian troops from our country. The most complicated issues are connected, as far as I know, not with the withdrawal itself, but with what the Russian troops leave behind.**

[Kastenka] I have recently held a meeting with all commanders of Russian units stationed on our territory, the withdrawal of which is planned for this year and next. We have found a common language. We have agreed that they would withdraw in a civilized manner: They should leave barracks, storehouses, and military settlements in a proper state, so that it would not be shameful for us to transfer these facilities to local authorities. The majority of settlements are being transferred to local authorities. This is currently a very complicated issue: We need funds to maintain boilers, schools, and kindergartens. We have managed to resolve these issues so far. As of today, there are virtually no "critical" military settlements. I am grateful to leaders in provinces who understand the situation properly and find resources to maintain both the housing and the service personnel.

[Zhdanko] **Will Belarus be adequately compensated by the Russian side for the facilities remaining on our territory?**

[Kastenka] We are drafting agreements to work out a system for their maintenance, the terms of their functioning, and so on. I have recently met with a Russian delegation. We are planning to draft joint agreements which could become a part of a package of those bilateral documents which will soon be signed by our states. The issue will be discussed with the Ministry of Finance, the Ministry of State Property, and the Foreign Ministry. All the "t's," however, will likely be crossed by the president, the Supreme Soviet, and Cabinet of Ministers.

[Zhdanko] **Will we be able to protect our interests?**

[Kastenka] Of course, we have an interest in protecting our national interests. We will, however, be forced to look for compromises, so that no harm comes to either side.

[Zhdanko] **Will Russian troops leave many Russian facilities on our territory?**

[Kastenka] No, there are only a couple of them—only two sites. I am referring to two [nuclear strike warning] stations which will remain after all the Russian troops—including strategic missile troops—withdraw from Belarus. They will have to withdraw before 1996. I assume that it will not be difficult to arrive at a mutually acceptable decision. These stations are located in Baranovhichi and Vileyka. They fulfill different functions. Their functions are space defense and relaying various radio signals to our sea fleet and submarines in the Atlantic Ocean and Mediterranean Sea.

[Zhdanko] **Does Russia value these stations?**

[Kastenka] Yes, they are of great significance to Russia. These facilities are not yet functioning. They are only 80-percent completed. Their construction and technical equipment are rather expensive. Russia has an interest in completing the construction, it does not want to freeze the construction or transfer it to another place.

[Zhdanko] **The leftist forces are criticizing Belarus' intention to join the "Partnership for Peace" program. Do you support this program?**

[Kastenka] If we speak about the situation in general—assessing the current sociopolitical developments—it is

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

impossible to imagine Belarus in isolation from its neighbors who have already joined this program. This issue, however, has various aspects. We could join this program by specifying our participation in it. Our participation in the program, however, can be different: It can be of a full-scale nature foreseeing a variety of joint military exercises and so on, or it can be of a limited nature where we will be bound only by exchanges of information and visits by students of military colleges. First of all, the financial aspect is of importance for us. This is a very expensive drive and we should thoroughly calculate all our future expenditures.

[Zhdanko] **What is your personal viewpoint? Do you support the idea of joining this program?**

[Kastenka] As of today, we should not run at breakneck speed and speed up developments. In general, I assess this idea positively.

[Zhdanko] **Officers are abandoning the Belarusian Armed Forces and leaving for Russia, where working conditions are much more advantageous. What can you do to stem this stream?**

[Kastenka] I can specify three aspects of this issue. First of all, all officers and generals should specify their position: They should specify in which state they would like to perform their service, to what state they had sworn allegiance, and what is the aim of their military service. A mercenary spirit and comparison of monetary allowances should be of a secondary importance. Moral aspects, as well as the interests of the state and its people, should be of primary importance. If you have sworn in, you should have honor and dignity to serve to your people despite any circumstances.

Second, our officers earn much less than Russian officers. I would like to mention that—at the instruction of our president—we are drafting new procedures to implement a differentiated increase in their monetary allowances. The performance of an officer will be assessed not according to earlier equalization of monetary allowances but will depend on his efficiency and quality of his work. For example, if you are on combat alert, or on duty, or you participate in military training, you are performing morally and physically intensive work. Professors, candidates of sciences, and other experts—who deal with key issues—are also working hard. We are looking for opportunities to pay good money for such work. This will likely be done by setting specific coefficients or in some other way. In any case, this system will be worked out and this will considerably increase the monetary allowances of our servicemen.

Third, I am deeply convinced that the president's program, his efforts to lead the state out of the crisis, and the work of the Cabinet of Ministers directed at economic stabilization will sooner or later lead to fruitful results and provide for such a standard of living which will be on a par with other CIS states. I believe that officer's performance will be assessed equally in both Belarus and Russia. We will adjust our positions on this issue.

[Zhdanko] **Have many officers left Belarus of late?**

[Kastenka] Yes. For example, some 700 young pilots left for Russia in early 1993. Mid-level officers are constantly submitting applications for transfers. This is a sore issue. We are, however, trying to stem this flow. In addition to the aforementioned differentiated approach to increasing monetary allowances, we are planning to provide our officers with housing. For example, if a pilot has no housing, he will not fly. Therefore, this category of servicemen should be provided with housing in the first turn. We will decisively do away with egalitarianism.

[Zhdanko] **I cannot but ask you about a scandalous speech by Syarhey Antonchyk at the Supreme Soviet session, in which he accused you of official abuses. SVABODA later published an article citing the same accusations. What can you say in regard to all this?**

[Kastenka] A lot of facts have been contrived. Everyone knows that the defense minister has only one garage. The picture that was published by SVABODA was not my garage. Their picture shows something else. This is the first thing that I would like to say in this connection. Second, I signed the contract with our construction team to build a dacha for me long ago. All types of construction projects were specified. Therefore, I consider it unfounded to choose separate fragments of the text and report on them in the sensational-investigatory tone. Such methods can only deceive the people. I agree with the proposal to conduct an investigation into the matter and cross all the "t's." I do not doubt that all the accusations are false and have been fabricated. Why are they doing all this? I have repeatedly been in similar situations. I am sure that those people, who wanted to compromise me and the officials who nominated me as defense minister, will fail to do this. I am open to any investigation into this matter.

[Zhdanko] **Anatol Ivanavich, is it true that you have not sworn allegiance to Belarus?**

[Kastenka] Yes, this is true. I have repeatedly mentioned this fact. Why have not I done this? I am in the Reserves. According to the law, officers in the Reserves can be called up for military service when they are under 30. I am 54. The president has nominated me as minister, however, I have not yet been called up. Until I am called up, I cannot be sworn in. I am, however, ready to do this at any moment.

[Zhdanko] **On whom does this decision depend?**

[Kastenka] It is up to the Supreme Soviet to adopt a corresponding amendment to the law allowing to call up people—exceeding the age limit—to active military service on the president's decision. I do not think that this is a problem. I believe that I have never provided and will never provide foundations to doubt my loyalty to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Belarusian state and the people. In my opinion, the servicemen of the Belarusian Armed Forces know about this.

[Zhdanko] **My next pointed question concerns the decision of the medical commission published by SVABODA according to which you had been transferred to the Reserves—in connection with your being unfit for military service—and cannot perform military service in peacetime.**

[Kastenka] Yes, there is such a decision including a number of paragraphs.... This is a difficult issue. Any medical data can be interpreted both ways. Before I was transferred to the Reserves, I realized that doctors will not allow me to continue my active service, so I decided to specify the maximum degree of my fitness for service. [sentence as published] In general, there is no such medical evidence which could prohibit me from occupying this post.

[Zhdanko] **Anatol Ivanavich, are you going to propose posts to the generals who had been in command of the Armed Forces before you came to power and who are currently "in exile?" What will the "former" generals do now?**

[Kastenka] I do not think that we will find a post for the former defense minister, and he fully realizes this; we have discussed this issue with him. The same refers to the former members of the Collegium of the Defense Ministry, I have recently spoken with some of them. They have no specific problems: They are receiving pensions based on their length of service and all their social issues have been resolved. Therefore, I am sure, there is no tragedy at all. I have recently been in such a situation, this is a normal process of our staff changes.

Privatization Minister on Denationalization

WS1810153094 Minsk ZVYAZDA in Belarusian 13 Oct 94 pp 1, 2

[Interview with Heorhiy Pyatrovich Badzey, Belarusian minister of management of state property and privatization, by Alyaksandr Shchadranok; place and date not given: "Privatization Will Be Conducted Only Through Auctions at Which All Interested Individuals Will Be Able To Buy Stock for Vouchers and Money"]

[FBIS Translated Text] Heorhiy Pyatrovich Badzey headed the State Committee for Labor and Social Protection of Population for the last four years. At the request of Deputy Prime Minister Syarhey Linh, he became a member of the new Cabinet of Ministers and was named minister of management of state property and privatization.

Some two months have passed since H. Badzey was nominated for the ministerial post. The Ministry of Management of State Property and Privatization has since drafted new approaches to conducting privatization which differ considerably from previous ones. They foresee denationalization in the interests of the people. Auction sales will become one of the principle methods of transferring state property to private hands.

We have asked Heorhiy Pyatrovich Badzey, minister of management of state property and privatization, to comment on this issue in detail.

[Shchadranok] **Heorhiy Pyatrovich, you resigned along with the previous government, however, you later received an invitation to become a member of the new Cabinet of Ministers. You met with A. Lukashenka before your nomination. The Presidential Administration was drafting at the time a law "On Transfer of State Property," which foresaw a three-month delay in privatization; the inspection of sites which were privatized in 1991-94; the filing of lawsuits in economic courts—if legal violations are uncovered—to repeal agreements on transfer of state property and call to immediate account those individuals who are guilty of these actions. Why have you agreed to be at the wheel of a ship which can sink at any moment?**

[Badzey] You are not providing me with genuine facts. The president has stated that he never favored the suspension or banning of privatization. On the contrary, he always supported privatization. As for the inspection, it was deemed necessary because we cannot allow mistakes to be repeated in the future. We should not conceal the facts that we had made several mistakes. Economic courts are investigating lawsuits against a variety of privatized companies, however, this does not imply that we are going to ban privatization. We should correct our mistakes and move forward without stopping.

We should correct our approaches, however, there should not be profound changes in them. We do not reject the idea of privatization where one half of state property is transferred to private hands in exchange for money [platnaya pryvatyzatsyya] and the second half becomes people's property through vouchers [byasplatnaya pryvatyzatsyya].

We are currently being criticized for the mistakes which we have made. Our critics say that we have damaged the state. Please, forgive me, to what damages are you referring where the law allows to transfer 50 percent of state property to residents of Belarus in exchange for vouchers? charge-free privatization? If we sell the second half of state property through auctions, we will be able to compensate for that part of state property which was transferred to people in exchange for their vouchers. For example, this is confirmed by a case in Brest, where municipal property was sold through auctions and its starting price was increased by hundreds of times.

I have agreed to occupy this post only after I had a talk with the president. I realize that privatization will be continued. It will be conducted in the interests of the people.

[Shchadranok] **You have mentioned several mistakes. What are the key drawbacks of privatization conducted to date?**

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Badzey] Its primary drawback is its low level of glasnost. Frankly speaking, privatization has not been conducted at all. Since 1991, only some 4 percent of state property has been privatized.

In addition, we have chosen an ineffective method of privatization. I am referring to the limited distribution of stock through offices of the Belarusian Savings Bank [ABB].

The rights of foreign investors to buy Belarusian enterprises have been limited. To become an owner of a specific part of state property, an individual had to pay half of its price in vouchers. Where could a foreigner get vouchers? Should they have bought vouchers from the people? This is a very difficult and lengthy process. Therefore, we would like to sell stock of enterprises attracting investors only for money. This is how we will bust our "worn" budget. In general, a half of all state property subject to privatization will be exchanged for money and the second half—for vouchers.

The other aspect of the problem is issuing benefits to working collectives. Several working collectives managed to buy their enterprises at prices which were reduced by 20 percent. Is it, however, a market approach to sell a profitable enterprise at its depreciated cost and in addition at a price reduced by 20 percent? Do you consider these conditions equal for everyone?

About what social justice can we speak when working collectives have different benefits. Let us assume that the basic capital of an enterprise is 1 billion rubles [R] and of another—R1 million. If workers of the first enterprise can buy property worth R500 million, minus a discount of R100 million, the workers of the second enterprise can buy property worth only R500,000, less a discount of R100,000.

Therefore, we are planning to sell stock—in exchange for both vouchers and money—through auctions. Physical and juridical entities will be able to buy stock at prices set by market supply and demand under equal conditions. Working collectives will be able to buy enterprises at prices reduced by 20 percent, however, these will be market prices.

[Shchadranok] **Does this imply that trading in stock will be a primary means to conduct privatization? Can we say that privatization will be conducted primarily through auctions?**

[Badzey] Yes. The distribution of stock thus far was conducted through ABB offices. Who came first to the bank, was the first to buy stock in a profitable enterprise at its nominal cost. As a result, the principle of social justice was violated. We consider that an auction should become a key means to conduct privatization in the interests of the people.

[Shchadranok] **What will happen to the stock of enterprises distributed through ABB offices?**

[Badzey] When we develop the mechanism for holding voucher auctions, we will take this stock from the ABB offices and sell it through auctions. To raise interest among the people, we would like to propose the most profitable enterprises for participation in our first tenders.

[Shchadranok] **Heorhiy Pyatrovich, will voucher auctions set unequal conditions for an ordinary individual—who is not an expert on market competition—and specialized investment funds which are dealing professionally with securities?**

[Badzey] Voucher auctions are the only fair means to conduct privatization. The East European states and Russia have already successfully tested this method. If an individual does not participate in auctions personally, he can task investment funds with selling his vouchers at auctions. We will likely hold a "one- room" auction for investment funds at the beginning. This implies that we will invite all of our 15 investment funds that are authorized to trade in vouchers and hold an auction in a room. Voucher auctions, however, will be held in the future simultaneously for both physical and legal entities across the Republic. The Ministry of Management of State Property and Privatization will conduct privatization of the Republic's property, and local authorities will conduct privatization of municipal property. Traditional auctions trading in municipal property have been successfully held in Brest and Grodno with the assistance of the International Financial Corporation.

[Shchadranok] **How will you organize the trading in enterprises in exchange for money?**

[Badzey] Also through auctions.

[Shchadranok] **Who will buy MAZ [truck factory] or MTZ [tractor company] at auction?**

[Badzey] No one will buy them in the beginning, however, in my opinion, stock in these enterprises will be in high demand. An enterprise will receive direct investments by selling its stock at auction.

[Shchadranok] **You have mentioned that Russia has successfully held voucher auctions. Such voucher auctions in Russia, however, were an integral part of the voucher privatization program developed by [Russian Deputy Prime Minister] Chubays. Though the government in Russia has changed, though Chubays has been severely criticized, his concept of privatization has not been modified. Russia has made genuine progress in this direction. As for us, a little more than a year has passed since the law was adopted; we are dissatisfied with several things and begin to change the "rules of play." The same process could be repeated in a year. What will we eventually achieve?**

[Badzey] We have more or less correctly combined the privatization in exchange for vouchers with privatization in exchange for money. The key strategy, however,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

will not be changed. We are simply modifying the mechanism for its implementation.

[Shchadranok] **One of the clauses of the anticrisis program dealing with privatization is devoted to the establishment of financial-industrial groups. What do you imply by financial- industrial groups? Will new "monsters-monopolists" be born?**

[Badzey] This term implies the unification of efforts and capital to upgrade and modernize the process of production.

[Shchadranok] **Restructuring—division of large enterprises into smaller economic entities authorized with the rights of a legal entity—is one of the conditions for conducting privatization.**

[Badzey] The establishment of financial-industrial groups preserves structural units of enterprises. The other issue is that small units have common objectives and they unite.

We have drafted a statute of financial-industrial groups foreseeing that they will be established at the initiative of their participants. They can be established by the government to resolve only extraordinary issues. Of course, if we strictly adhere to the antimonopoly legislation [as published], "monsters" can emerge, however, to avoid their emergence, corresponding measures should be taken.

[Shchadranok] **The share of state capital in many new joint- stock companies [AT] accounts for 90-100 percent of their total capital. As far as I have understood the speech by our prime minister, the state is not going to give a free hand to these enterprises and will introduce its representatives—authorized to veto any AT decision—to the AT leadership.**

[Badzey] Yes, this is also our proposal which was included in the anticrisis program. The state has its representatives in all joint-stock companies operating with state capital. They are working there on a voluntary basis because they are employed by our ministries. To have at least a little influence on the AT leadership, a state representative should be an expert in the financial-economic area. They, however, have no time to learn this business.

Along the lines of Poland, we are intending to establish an institution of representatives. These people will be headed by the minister of privatization to work on a permanent basis in an AT, however, they are paid by the ministry.

[Shchadranok] **What will be the state's share in the stock of enterprises which are currently being sold?**

[Badzey] Everything depends on the state's interests. The state will likely not have its share in joint-stock companies established on the basis of municipal property. As for the enterprises of our key branches—oil processing and railway transportation—the state's share in them will account for 100 percent.

[Shchadranok] **The decision to establish Russian-Belarusian joint ventures was announced after our president's visit to Moscow. Some two months have passed. Can you provide any specific examples when the Russian side has acquired the stock of Belarusian enterprises, or the other way around? What do you think about the fears of Belarusian businessmen regarding the expansion of Russian capital?**

[Badzey] Russian-Belarusian joint ventures are being established. For example, the Association "Slawnafta" was established on the basis of the oil processing factory in Mozyr. Our enterprises have also been approached to participate in the joint stock-holding venture "Gazprom."

The flow of Russian capital to Belarus is a normal process. It is of no importance for us whose capital—Russian or American—is being invested in Belarus. The most essential thing is that we will be able to reconstruct our enterprises.

[Shchadranok] **We can currently declare with all responsibility that the State Privatization Program for 1994 will not be implemented. What are your plans for 1995?**

[Badzey] I must admit that you are right. According to the agreement between our government and the IMF, which is maintaining strict control over our privatization, the program for 1994 will have to be implemented in the first quarter of 1995. We will have to privatize 100 percent of state property subject to privatization. I believe that we can do this, however, we will have to work hard. As for municipal property, we are planning to privatize all of it.

[Shchadranok] **I believe that your demands for "small privatization" are too high. Taking into consideration the strong opposition of our local authorities to do something in this direction, we can predict that the program of privatization of municipal property will not be implemented.**

[Badzey] To my regret, people in provinces undervalue this process and do not understand the essence of "small privatization." Life, however, will force them to conduct small privatization in the very near future. We have had positive experiences in Grodno and Brest. Orsha has joined this group as well: Orsha authorities, along with the International Financial Corporation, are preparing a series of town auctions. Other regions, including Minsk, are not holding auctions for one reason or another.

[Shchadranok] **"Secret" privatization, however, is in full swing in Minsk. Working collectives are buying enterprises which were previously leased by them. Public catering trusts are being privatized in their entirety, however, we do not observe any changes in their work.**

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Badzey] We should thoroughly discuss this issue. According to the "Law on Enterprise," a working collective manages the property of its enterprise and shares in its profits. The property of this enterprise belongs to the state, but is at the disposal of the working collective. When the working collective buys this enterprise, only formal changes are being introduced, however, the general situation at the enterprises remains the same. Therefore, in my opinion, this type of privatization is not promising. Privatization should result in a new owner managing the business in a proper way.

Privatization of municipal property in Minsk—shops, entire trusts, and associations of trading enterprises are being transferred to private hands—cannot be called anything other than bureaucratic privatization conducted by our nomenklatura. They privatize cushy facilities for themselves.

[Shchadranok] **What should be done in this situation? These sites are being privatized according to the law.**

[Badzey] In my opinion, these sites will also receive their owner some time later. They will improve their work. Unfortunately, this has not been done at the beginning.

[Shchadranok] **Heorhiy Pyatrovich, have you received your vouchers?**

[Badzey] I have already signed up for them, however, I have not yet received them.

[Shchadranok] **In what will you invest your vouchers?**

[Badzey] I will likely invest them in investment funds.

[Shchadranok] **Why? Your subordinates, who are interpreting this law to people, advise them to invest their vouchers directly in enterprises.**

[Badzey] People in provinces know more about enterprises and it is simpler for them to invest directly in enterprises. I assume that when stock will be sold through auctions, this question will no longer arise. People, who have no faith in investment funds, will be able to participate in auctions themselves. In my opinion, it is more secure, however, to invest one's vouchers in investment funds.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan

Prime Minister Comments on Government Program

LD1810105794 Almaty Kazakh Radio Network in Russian 0500 GMT 18 Oct 94

[Correspondent's report on news conference by Prime Minister Akezhan Kazhegeldin on 14 October; place not given]

[FBIS Translated Excerpt] [passage omitted] [Correspondent] As regards the main issues, how is the new government going to help the country out the economic crisis and will a new program be offered, Prime Minister Akezhan Kazhegeldin—who is the author of the 15-month program, which Sergey Tereshchenko's government had no time to implement and there is a question of whether it would have been able to—said:

[Begin Kazhegeldin recording] The program contains the strategic elements that must happen: the [word indistinct] of the economy in general and its segmentation, the fight against the monopoly situation of enterprises and inflation, continuing denationalization and privatization, setting up a securities market, establishing national capital, a capital market and goods market.

Who can argue with this? What would it be worth if I said—No, now in my new position we will make up another program?

I think in general we have to be very attentive to the program. There is a common disease from 1988 when, you remember, we were allowed to elect directors on a basis of choice—Petr Petrovich or Petr Ivanovich. Everyone had a choice which only allowed the choice of a senior engineer.

The economy is in critical condition and there is a willingness to create new market relations. One part of the problem is legal reform, another part of the problem is economic reform.

There is a definite set of tools. The only differences are whether you take eleven tools or nine and when and in what sequence you will use them. But I think that the program is strategically balanced and correct and we intend to implement it. Naturally, we have stated that it is open. If anybody is willing to add anything, apart from saying that something is wrong or saying—I would it do this way—the door is open. They are welcome to discuss it.

Moreover, I will say we are getting down to starting to implement the three-year development program over the next two weeks. We will see what Kazakhstan will look like in three years. We are going to consider these issues.

I think that every government must conduct reforms. Maybe reforms are not very frequent and not major, but a government which will come here [words indistinct] must do what is necessary. [end recording]

Russian Paper Assesses Change of Government

MM1810143594 Moscow IZVESTIYA in Russian 15 Oct 94 p 2

[Article by Vladimir Ardayev: "Attempt to Resolve Crisis of Authority in Kazakhstan"]

[FBIS Translated Text] Almaty—Sometimes the long-expected unexpected occurs—such as, for example, the death of someone with an incurable disease. The vaudevillian demise of the Kazakhstan government is a case in point: Everyone in the republic had known for a long time that the Cabinet of Ministers headed by the premier, which has now belatedly resigned, was doomed and it was just a matter of when it would go.

The first symptoms of the crisis of authority in Kazakhstan appeared last year in connection with the disintegration of the ruble zone and the abrupt deterioration of the socioeconomic situation in the republic. The demise of the "old" Soviet ruble and the introduction of the republic's own currency effectively deprived Kazakhstan's leaders of the opportunity constantly to blame the former "big brother" for the failures of its reforms. Now they always have to seek culprits in their own ranks.

The first victim was the former Supreme Soviet. The obsolete system of "soviets at all levels" passed away with it—from village soviet to Supreme Soviet they just upped and announced that they were disbanding. Entirely voluntarily. The mysterious oriental powers of organization astonishing the world yet again. Just as Western observers, particularly from the CSCE, were astonished by the subsequent elections to the new parliament—the deposition drawn up and promulgated by them listed 10 points relating to violations of accepted democratic norms.

President N. Nazarbayev's team's effort to create a parliament of tried and trusted people soon had the desired results. The new Supreme Council did not rush headlong into the thick of the republic's dire problems but immediately set about tackling questions of social security for the deputies themselves. Getting snide comments from the press in this connection and sensing the voters' obvious displeasure, it right away addressed the problems, but from the same old standpoint—meaning, first and foremost, looking for culprits.

As might have been expected, the blame fell on the government, which parliament hastened to give a vote of no confidence. The president softened the blow by making some more cosmetic changes to the Cabinet and announcing that he was giving it carte blanche for the 15 months necessary to implement the initial stages of the state anticrisis program devised by a group of academics and experts headed by Akezhan Kazhgeldin, now prime minister but then first vice premier. Only half the allotted period has elapsed since then, but the government has resigned.

N. Nazarbayev had been making some kind of effort to create a more viable government Cabinet nearly every

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

six months. More often than not he would shuffle the same nomenklatura pack, which had migrated to the presidential apparatus from the former Central Committee Organization Department. One bunch of old party cadres would be replaced by another, younger bunch and it, in turn, by leaders of major state enterprises of the same school. When you consider that the command and distribution system was to some extent still in place, mutated into a system of quotas and licences for resources, including resources earmarked for export, and credits and state guarantees, it is perfectly clear why the Kazakhstan reforms faltered.

A new wave of politicians began to trickle into the government at the beginning of this year, when successful and experienced businessmen finally began arriving in its corridors. One of them was the current prime minister, formerly head of a major entrepreneurial organization and president of the Kazakhstan Union of Industrialists and Entrepreneurs.

But in the conditions of an ever-worsening crisis of authority the cadre cosmetics turned out to be futile. The disease was too far gone, and it had gotten to the point where government members were being exposed and accused of corruption and criminal misdemeanors. In the last six weeks alone parliament has dismissed two ministers on these grounds: Mars Urkumbayev from Economy, and Vladimir Shumov from Internal Affairs.

On resigning, premier Sergey Tereshchenko addressed journalists at a farewell press conference and admitted a number of errors made by his government, in particular getting too involved with current matters to the detriment of strategic tasks, "poor work with the media and inadequate explanation of state policy to the population," and errors in credit and financial policy in the process of privatization.

S. Tereshchenko refused to coment on N. Nazarbayev's words about "bureaucratic games" in the former government and about a number of Kazakhstan ministers' being interested only in getting rich. Explaining the reasons for his Cabinet's resignation, the former premier said: "We decided to give the president a free hand and enable him to form a new, more effective government." At the same time, he agreed that the latest Cabinet "purge" had caused the state serious material damage. In particular, he cited the following fact: Former Economy Minister M. Urkumbayev apparently was the only representative of Kazakhstan to be elected a vice president of the European Bank for Reconstruction and Development [EBRD]. His departure as a "criminal" deprived the republic of any hope of EBRD credit. Note, in particular, that the Kazakhstan prosecutor's office has taken no substantial action against Urkumbayev as yet.

So the entire Kazakhstan government has resigned and a new Cabinet is now being formed. S. Tereshchenko suggests that the actual strength of the position of the "new wave" politicians, including the government head himself, largely depends on how radically—quantitatively and, most important, qualitatively—the government is renewed.

Akezhan Kazhgeldin, who worked in the Cabinet for less than a year, differed from his government colleagues. Both in terms of his high degree of competence in matters of economic organization and in terms of his unorthodox solutions. Addressing parliament when he was confirmed as premier, Akezhan Magzhanovich said that his government was destined for unpopularity, since economic recovery is not a fabulously quick process. In order to make it as fast as possible, he said, tougher and more radical measures will be required to bring order to the sphere of economic transactions.

For Kazakhstan President Nursultan Nazarbayev's staff the current change of government is an absolutely crucial step. After many cosmetic rearrangements in the Cabinet, after the replacement of the parliament, this is the last chance to change a situation in which the economy is getting deeper and deeper into crisis, living standards are steadily declining, reforms are faltering, and privatization is not headed in the intended direction at all. For N. Nazarbayev personally it is a chance to keep up his steadily falling rating and hold on to at least some of his former great popularity with the population in Kazakhstan itself. This depends largely on how viable the "new people" in the new government turn out to be.

By way of a footnote: Addressing parliament, the new prime minister said that the Kazakhstan government was greatly indebted to its people. When this article was ready to go to the editorial office, the local independent "Maks" radio station told of a horrific incident. A 66-year-old pensioner had committed suicide by setting fire to herself in the Dzhezkazgan city cemetery. She left the money for a funeral and a note saying that she did not blame anyone for her death aside from the government, which, she believed, had condemned her to a humiliating and helpless old age. This happened a day before the government resigned....

Furthermore, the magazine ZERKALO cited the results of an opinion poll in Almaty concerning the popularity of politicians heading the CIS states. Number one in the ratings as far as the inhabitants of the Kazakhstan capital were concerned was... Islam Karimov. Number two was Askar Akayev. Nursultan Nazarbayev and Boris Yeltsin were in third and fourth places respectively.

Kyrgyzstan

Akayev, Turkish President Hold News Conference

LD1810172694 Bishkek Kyrgyz Radio First Program Network in Russian 1200 GMT 18 Oct 94

[FBIS Translated Text] Presidents Suleyman Demirel of Turkey and Askar Akayev of Kyrgyzstan have held a news conference on the results of Askar Akayev's official visit to Turkey. President Suleyman Demirel noted at

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the news conference that more than 40 agreements were signed between the two countries, and said that telephone communications with every corner of the world from Kyrgyzstan are channelled through Turkey. Also, the people of Kyrgyzstan watch the Eurasia television channel, and these are all signs of the considerable progress achieved in bolstering our friendship.

Turkey has earmarked credits of $75 million, and the construction of a Kyrgyz-Turkish university is being planned.

President Askar Akayev stressed that Kyrgyzstan consistently develops its international contacts, and Turkey's services to it have been immense. He expressed his satisfaction that President Suleyman Demirel and other Turkish officials will attend the celebrations on the occasion of the 1000th anniversary of Manas.

A ceremonial reception in honor of President Askar Akayev followed the news conference at Government House. Then the Kyrgyz delegation left Ankara for Antalya. In Antalya, Askar Akayev and the delegation members were met by the Mayor (Sayim Chotur) and other leaders. The Kyrgyz delegation visited the resort zone and historical and tourist sites there.

Then the Kyrgyz delegation visited Bursa, where they saw all the town's tourist sites. The mayor of the town gave a dinner in honor of the members of the delegation. Today, President Askar Akayev will take part in the session of the heads of Turkic-speaking countries. They will discuss matters of cooperation as well as a number of international and regional issues.

Presidential Edict on Support for Private Enterprise

LD1810194694 Bishkek Kyrgyz Radio First Program Network in Russian 1400 GMT 18 Oct 94

[President Askar Akayev edict on forming the Fund for the Development of Enterprise of the Kyrgyz Republic; issued 12 October from Government House, Bishkek]

[FBIS Translated Text] With the aim of strengthening state support for private enterprise as one of the most important areas of economic reform which promotes the development of competition and fills the consumer market with goods and services and creates new jobs, I decree:

1. The Fund for the Development of Enterprise of the Kyrgyz Republic is to be formed on the basis of the Fund for National Enterprise.

2. The following shall be considered the main objectives of the Fund for the Development of Enterprise of the Kyrgyz Republic:

Participation in the implementation of state policy in supporting and developing private enterprise;

Involving private entrepreneurs in working out the republic's most important social and economic problems;

Giving financial support to private enterprise in general, and in particular in its small and medium forms;

Attracting foreign investments to develop private enterprise in the republic;

Providing business structures with information and methods;

3. The following are ordered to be the source for forming and replenishing the Fund for the Development of Enterprise of the Kyrgyz Republic:

Fifteen percent of the funds from the privatization of state property;

The monetary funds and other assets of the Fund for National Enterprise and purpose-oriented transfers made by enterprises and organizations in the republic as well as credits, grants, and other receipts from international organizations of foreign investors channelled to the fund to support private enterprise.

Incomes and other returns from the activities of the fund.

4. The provisions on the Fund for the Development of Enterprise of the Kyrgyz Republic are to be adopted.

5. The Government of the Kyrgyz Republic is to decide upon and adopt the classification of private business structures into small, medium, and large enterprises depending on which sector of industry they are in, the number of workers, and the amount of capital.

6. The State Property Fund of the Kyrgyz Republic is to ensure that 15 percent of the funds from the privatization of state property are transferred monthly to the account of the Fund for the Development of Enterprise of the Kyrgyz Republic.

7. The following decrees are to be considered null and void:

The decree issued by the president of Kyrgyzstan on 23 August 1991 on the Fund for National Enterprise;

The decree issued by the president of Kyrgyzstan on 6 December 1991 on the issue of national enterprise of the Republic of Kyrgyzstan;

The decree issued by the president of Kyrgyzstan on 3 August 1992 establishing the Council for Enterprise under the president of the Republic of Kyrgyzstan;

The decree issued by the president of Kyrgyzstan on 1 April 1993 on amendments to the decree issued by the president of the Republic of Kyrgyzstan on 23 August, 1991 on the Fund for National Enterprise;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Paragraph one, item six, in section three of the decree issued by the president of Kyrgyz Republic on 10 December 1994 on emergency measures to bolster state and financial discipline;

Instruction No.174 issued by the vice president of the Republic of Kyrgyzstan on 21 September 1992.

8. This decree enters into force from the moment of its publication.

Tajikistan

Dushanbe, Moscow Sign Cooperation Agreement

LD1710121194 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 17 Oct 94

[FBIS Translated Text] A delegation of the Dushanbe city executive committee, led by its chairman Jamoliddin Mansurov, paid a visit to Moscow recently.

As a result of this visit, an agreement was signed between the Moscow and Dushanbe executive committees on cooperation in the trade-economic, scientific-technical, and cultural fields. The sides decided to promote the signing of direct agreements between [words indistinct] on supplying raw materials and consumer goods.

The agreement was signed by Moscow's Mayor Yuriy Luzhkov and Dushanbe's Mayor Jamoliddin Mansurov.

CIS Peacekeepers Not To Meddle in Elections

LD1810171094 Moscow ITAR-TASS in English 1426 GMT 18 Oct 94

[By ITAR-TASS correspondent Vadim Byrkin]

[FBIS Transcribed Text] Moscow 18 Oct (TASS)—The supporters of Tajik presidential candidate Abdulmalik Abdulodzhanov have accused Colonel-General Valeriy Patrikeyev, commander of the CIS peacekeeping forces in Tajikistan, of meddling with the current election campaign and openly supporting the candidature of Emomali Rakhmonov, speaker of the Tajik Supreme Soviet.

ITAR-TASS today asked Lieutenant-General Leonid Ivashov, secretary of the CIS Defence Minister's Council, to comment on the situation. "neither the commander, nor the personnel of the joint peacekeeping force were authorised by the CIS heads of states to interfere in the domestic affairs of the Republic of Tajikistan or to take part in the election campaign on the side of any of the candidates," Ivashov stated. He said that Colonel-General Patrikeyev denied his participation in the canvassing campaign.

UN Mission Visits To Study Aid Needs

LD1910094194 Dushanbe Radio Tajikistan Network in Russian 0400 GMT 19 Oct 94

[FBIS Translated Text] In an address to the 49th session of the UN General Assembly in New York, Imamali Rakhmonov, head of state and chairman of the Supreme Council of the Republic of Tajikistan, appealed to the world community to render assistance to our country in overcoming the consequences of the civil war and in getting out from the very deep economic crisis.

Today this appeal is widely supported by many of the world's countries. It is with this intention that a mission from the UN department for humanitarian issues has arrived in Tajikistan. It includes (Paul Herbert), (Catherine Tall), (Vladislava Savich), (Pierre Francois Perlot), and (Rita Powing). The mission was received by Mahmadsaid Ubaydulloyev, deputy chairman of the republic's Council of Ministers. The conversation touched on various aspects of the republic's needs.

(Pierre Francois Perlot) said the mission intends to visit ministries and departments to meet their heads in order to receive reliable information about grain stocks in the republic and stocks of other foodstuffs. It will help draw up a program of specific humanitarian assistance. Further, it was stated that the number of donor countries who want to extend a helping hand to Tajikistan has grown recently. In particular, the United States has already shipped 35,000 tonnes of grain to the republic in humanitarian assistance.

Presidential Contender Abdulodzhanov Profiled

LD1810191094 Dushanbe Radio Tajikistan Network in Uzbek 1300 GMT 18 Oct 94

[FBIS Translated Text] The contender for the presidency of the Republic of Tajikistan, the Tajik ambassador extraordinary and plenipotentiary in Russia, deputy of the Supreme Council of the republic of Tajikistan, Abdumalik Abdulodzhanov, was born in Khodzhand in 1949. After completing secondary school, he studied in the Lomonosov technological institute, Odessa. From 1971 to 1980 he worked in bread-baking factories in Nau district and the town of Kairakum, where he began working as head of the department and later became head of the factory. In 1980 he was appointed deputy minister at the grain ministry. From 1984 to 1986 Abdulodzhanov studied at the Academy of the National Economy of the USSR Council of Ministers. From 1986 to 1987 he worked as a first deputy grain minister. From 1987 to 1992 he was minister of the grain ministry. In 1992 Abdumalik Abdulodzhanov was appointed Chairman of the Council of Ministers of the Republic of Tajikistan. In September 1994 he was appointed Tajik ambassador extraordinary and plenipotentiary to Russia. Abdumalik Abdulodzhanov is married and has two children.

The election manifesto of the candidate for the presidency of Tajikistan, Abdumalik Abdulodzhanov, contains the following measures: To establish peace and unity among the people of the republic, whatever ethnic group they belong to; protect human lives; maintain their social position, their language, and to protect their human rights, whatever ideological trend they follow; to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

reduce the conflict inside the Republic of Tajikistan, and, with the intention of establishing peace he will hold negotiations with the reconcilable part of the opposition; to disarm the population; repatriate refugees from the CIS and foreign countries; reduce the number of skilled specialists leaving Tajikistan; resume policies in the republic and strengthen them; carry out democratic principles; provide all public societies, political parties, movements and public organizations with equal opportunities. The candidate's election manifesto includes these measures.

Uzbekistan

Law on Underground Resources Published

LD1910111394 Tashkent NARODNOYE SLOVO in Russian 13 Oct 94 p 2

["Law on Underground Resources" signed by President Islam Karimov in Tashkent on 23 September 1994]

[FBIS Translated Text]

Section 1. General Provisions

Article 1. The Purposes of the Law on Underground Resources

The purposes of the law will be the regulation of matters arising in connection with the ownership, use, and disposal of underground resources (mining), with the aim of ensuring the rational and comprehensive use of underground resources in order to meet requirements for mineral raw materials, subterranean water, and other needs, and to ensure the protection of underground resources and the environment, safety at work when exploiting underground resources, the protection of the interests of the state and citizens, and also the rights of the users of underground resources.

Article 2. Legislation on Underground Resources

Mining will be regulated by this law and other legislative acts.

Mining in the Republic of Karakalpakstan will also be regulated by the legislation of the Republic of Karakalpakstan.

Matters connected with the use and protection of land, surface water, flora, fauna, and air that arise during the use of underground resources will be regulated by the relevant legislation.

Article 3. Ownership of Underground Resources

Underground resources are the nation's property and the sole property of the Republic of Uzbekistan.

Article 4. The State Stock of Underground Resources

The state stock of underground resources will comprise both used and unused areas of underground resources, as well as the products of technological processing (waste products from extraction and the processing of mineral raw materials).

Article 5. International Treaties and Agreements

In cases where provisions have been established by international treaties and agreements of the Republic of Uzbekistan, other than the provisions envisaged by the legislation of the Republic of Uzbekistan on underground resources, the provisions of the international treaty or agreement will apply.

Section 2. State Regulation of Mining

Article 6. The Purposes of State Regulation of Mining

The main purposes of the state regulation of mining are as follows:

securing the development of mineral raw material deposits;

determining the volumes of extraction of the main kinds of mineral resources for the present and the future;

establishing payments for utilizing natural resources and the prices for individual types of mineral raw materials;

establishing norms and regulations in the field of geological study and the protection of natural resources and in the field of the comprehensive utilization of mineral resources and the safety of work connected with the utilization of natural resources;

organizing the system of control and supervision over the utilization and protection of natural resources, the geological study of natural resources, and the rational utilization of mineral resources.

Article 7. State Administration in the Field of Mining

State administration in the field of mining is carried out by the president of the Republic of Uzbekistan, the Cabinet of Ministers, local authorities, as well as specially authorized state bodies.

The specially authorized state bodies in the field of mining are the State Committee for Protection of the Environment, the State Committee for Supervision of Industrial Safety and Supervision of Mining, and the State Committee for Geology and Mineral Resources. These committees function in accordance with their regulations.

Article 8. The Cabinet of Ministers' Jurisdiction in the Field of Mining

The following matters are within the jurisdiction of the Cabinet of Ministers;

the disposal of the state stock of national resources;

drawing up state programs to develop mineral and raw material resources, protect underground resources,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ensure the rational and comprehensive utilization of mineral resources, and monitoring the programs' implementation;

the organization of a licensing system for utilizing underground resources;

the organization of state regulation and state licensing of works connected to the utilization of underground resources;

determining the procedure for creating and running a state fund for geological information, distributing information obtained by using state funds, and using information received by legal and natural persons who have financed work connected to the utilization of natural resources;

determining the procedure for confirming prospected reserves and maintaining a state register of the balance of reserves of mineral resources, the procedure for state surveys of deposits, mineral resources, and geological formations that have technical potential, and also the procedure for monitoring underground resources;

the introduction of a list of commonly distributed mineral resources;

the organization and coordination of state control and supervision of the utilization and protection of underground resources, their geological study, and rational utilization of mineral resources;

determining the procedure and conditions for charging payments for the right to use underground resources; establishing the procedure and conditions for allocating deposits to foreign legal and natural persons and enterprises with foreign investment to conduct geological prospecting work, extract and process mineral raw materials, and also construct and use underground installations not connected with the extraction of mineral resources;

the resolution of other matters in the field of the regulation of mining envisaged by legislative acts.

Article 9. The Jurisdiction of Local Authorities in the Field of Mining

The following matters are within the jurisdiction of local authorities:

participation in the drawing up and implementation of state programs on their territory to develop mineral raw material deposits, protect underground resources, ensure the rational and comprehensive utilization of mineral resources, and supervision of the programs;

the allotment of land;

the control and supervision of the utilization and protection of underground resources;

suspending work utilizing underground resources in instances when this law is violated.

Section 3. The Use of Underground Resources

Article 10. Types of use for underground resources are used in the following ways:

geological study;

mining mineral resources;

building and using underground constructions not connected with mineral mining, including underground storage facilities for oil, gas, and other substances and materials, and burial facilities for harmful substances, radioactive waste, and industrial waste;

collecting specimens of semiprecious stones, fossils, and other geologically collectable materials;

providing other governmental and public needs.

Article 11. Users of Underground Resources

Legal and natural persons may use underground resources.

Article 12. Time Frame for Using Underground Resources

The time frame for using underground resources may be limited or unlimited.

Underground resources may be used for an unlimited time frame if no time frame is set beforehand.

The period of use of underground resources with a limited time frame is determined by the licence. If necessary, this period can be extended.

The period allocated for using underground resources starts from the date the right to use them is issued.

Article 13. Granting the Use of Underground Resources for Geological Study

Underground resources are granted for use for geological study on the basis of a geological study project approved by established procedure.

State registration of work involved in a geological study of underground resources and permission to occupy an area of land are the basis for beginning a geological study of underground resources.

Foreign legal persons and enterprises with foreign investments are granted underground resources for geological study in accordance with procedure established by legislation.

Article 14. Granting Underground Resources for Mining and Other Purposes

Underground resources for mining mineral resources and other purposes, as well as the products of technological processing, are granted for use on the basis of special permits (licences).

The list of types of mineral resources that require a mining licence, the procedure for granting licences to use

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

underground resources, and also the procedure for designating land for mining are determined by the Cabinet of Ministers.

The licence certifies the holder's right to plan an enterprise connected with the use of underground resources and also to receive land on which to mine, use the products of technological processing, build and use underground constructions not connected with mining, and bury harmful substances, radioactive waste, and industrial waste in the designated underground resources zone in accordance with the conditions and requirements stipulated in the licence.

Licenses can be issued to legal and natural persons for several sorts of usage of underground resources at the same time.

A licence is the basis for using underground resources.

The issue of a licence to use underground resources is the basis for land being allocated. Allocation of land is carried out in accordance with the law on land.

Land for mining is designated by the State Committee for Industrial Safety and Mining Supervision.

There is no need to designate land for mining in underground resource areas granted for use in accordance with a licence for experimental and industrial development of mineral deposits (excluding oil and gas deposits), tapping fresh underground water, collecting specimens of semiprecious stones, fossils, and other geologically collectable materials.

Legal and natural persons who have financed geological prospecting operations have the exclusive right to receive the licence for developing the prospected deposit.

Article 15. Using Underground Resources for Economic and Domestic Purposes

Landowners and land users have the right to use the underground resources within the limits of the land granted to them for the purposes of extracting generally used mineral resources and underground water for their own economic and domestic needs and for building underground constructions without being issued a licence in accordance with the procedure established by legislation.

Article 16. State Ecological Examination

Projects to carry out work connected with using underground resources and processing mineral raw materials are subject to state ecological examination.

The list of works that do not require state ecological examination is confirmed by the State Committee for the Protection of the Environment.

Article 17. Limits on Using Underground Resources

The use of individual areas of underground resources may be restricted or banned within the established boundaries of populated areas, suburban green zones, industrial sites, transportation and communication sites, underground water inlets and their protected zones, as well as other specially protected natural territories.

Article 18. The Basic Rights and Obligations of Users of Underground Resources

Users of underground resources have the right to use:

plots of land for geological research work into underground resources in accordance with the procedure established by land legislation;

the results of their activities, including information obtained on underground resources and also mineral raw materials extracted. In certain cases, the Cabinet of Ministers can temporarily establish specific conditions for disposing of the extracted mineral raw materials;

the products of technological processing obtained when extracting mineral resources and processing mineral raw materials unless otherwise stipulated by the license.

The users of underground resources are obliged to ensure:

the use of underground resources in accordance with the designated purpose;

that work is carried out in accordance with the project to use underground resources;

a complete geological study and the rational and comprehensive use and protection of underground resources;

that selective extraction from rich seams of deposits and above normal loss of mineral resources during extraction and processing of mineral raw materials is not allowed;

a record of the condition of and changes in reserves and of losses and impoverishment of mineral resources, and of the timely reevaluation, confirmation, and writing off of reserves;

the storage and a record of mineral resources incidentally extracted but temporarily unused;

that surveys on subterranean waters at their inlets and adjacent territories are carried out;

immediate notification to the bodies supervising subterranean water protection of changes in the condition of subterranean waters;

the safe operation of work connected with using underground resources and the drawing up of plans for dealing with accidents;

the protection of the environment, buildings, and installations from the harmful effects of work connected to the use of underground resources;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that geological and mine surveys and other documentation arising from the use of underground resources is kept and preserved;

the provision of information on underground resources, as well as data on the condition of and changes in constituent mineral reserves, to the State Geological Fund of the State Committee for Geology and Mineral Resources (hereafter the State Geological Fund);

the restoration of land spoiled by the use of underground resources to a condition suitable for its further usage;

timely payment for use of underground resources.

Article 19. Grounds for Terminating the Right To Use Underground Resources

The right to use underground resources will be terminated in the following cases:

on the expiry of the established time frame;

if the user surrenders his right to use natural resources;

if an enterprise or other economic entity that had been granted underground resources for use is dissolved.

The right to use underground resources can be terminated early, suspended, or limited in the following cases:

if an obvious threat to the life or health of the workers and the population, as well as environmental conditions, arises;

if a user of underground resources has not begun to use them within a year;

systematic nonpayment for the use of underground resources;

if the user of underground resources violates the general provisions of the license;

if it is necessary to confiscate the land containing natural resources for other state or public needs;

nonobservance of the provisions stipulated by Articles 24, 30 and 33 of this law.

Landowners and land users can be deprived of the right to use underground resources if the requirements of legislation are violated.

Article 20. Terminating the Rights To Use Underground Resources

The right to use underground resources will be terminated by the appropriate body annulling the licenses it has issued and by the act of mining designation.

Article 21. Protection of the Rights of the User of Underground Resources

Interference by the state administration bodies and local authorities in the activities of the user of the underground resources is not permitted, except in cases stipulated by legislation.

Disputes on the validity of a decision to suspend, restrict, or terminate the right to use underground resources, as well as compensation for losses, will be examined by the courts.

Violated rights will be restored in accordance with the procedure established by legislation. Losses incurred by the user of underground resources due to the invalid suspension, restriction, or termination of the right to use underground resources will be fully compensated, including lost profits.

Article 22. Payment for Use of Underground Resources

Use of underground resources requires payment, except in cases stipulated by Article 23 of the law.

Payment will be collected in the form of tax or other payments. The amounts and the procedure for calculating and collecting them will be determined in accordance with legislation.

Article 23. Exemption From Payments for Use of Underground Resources

Exemption from payments for use of underground resources is enjoyed by:

users of underground resources carrying out their own geological research;

economic entities carrying out work on geological, mineral, and other specially protected natural territories;

landowners and land users extracting generally used mineral resources or subterranean water and constructing underground structures for their economic and everyday needs, within the range of the land given to them and in accordance with established procedure.

Additional privileges in regard to payments for the use of underground resources can be instituted by legislation.

Section 4. The Geological Study of Underground Resources

Article 24. Basic Requirements From the Geological Study of Underground Resources

Users of underground resources carrying out geological studies are to ensure:

a complete geological study of underground resources and of the mining, technical, geological, economic, and other conditions for developing prospected deposits and areas of underground resources that are to be used for building and operating underground installations that are not connected with the extraction of minerals, and also used for burying harmful substances and radioactive and industrial wastes;

accuracy in identifying the quantity and quality of basic reserves and adjacent seams of mineral resources, including their constituent parts, and of the products of technological processing;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the study of the properties of overlaid and interposed seams for use in production and carrying out work on land rehabilitation;

radiation and sanitary assessments of mineral raw materials;

that work on the geological study of underground resources is conducted using methods and processes that exclude unjustified losses of minerals and the deterioration in their quality;

the study and selection of areas to situate the seams and minerals extracted from underground resources that rule out their having a harmful effect on the environment;

the safety of exploratory mining works and boreholes, which may be used while exploiting a deposit and for other industrial and economic purposes;

the closing down in accordance with established procedure of boreholes and mine workings that are not being used;

the preservation of geological, executive, and technical documentation, samples of rocks, ores, cores, and copies of mineral samples that may be used for the further study of deposits, prospecting, and exploitation of mineral deposits, and also for using underground resources for purposes other than mining mineral resources;

the restoration of damaged lands so that they can be used again.

Article 25. The Transfer of Prospected Mineral Deposits for Industrial Exploitation

Only prospected deposits or sections of them and mineral reserves that have been approved in accordance with the established procedure can be transferred for industrial exploitation.

Prospected mineral deposits for which effective technological models of concentration and processing have not been worked out, and also where questions of water supply and waste storage have not been resolved, are to be conserved and are not to be transferred for industrial exploitation.

Article 26. Discoverers of Mineral Deposits

Persons who discover or prospect previously unknown mineral deposits that are of industrial value, and also those who discover additional mineral reserves or a new mineral raw material in an existing deposit that substantially increases the deposit's industrial value, are classified as discoverers.

Discoverers of mineral deposits have the right to claim a reward. The procedure for granting rewards is determined by the Cabinet of Ministers.

Article 27. Ownership of Information About Underground Resources

Information gathered in geological reports, maps, and other documents on the geological structure of underground resources and on the mineral resources they contain, on their technological and other properties, and on the conditions for exploiting mineral deposits is the property of the contractor who financed the works. Information on underground resources obtained with funds from the state budget or nonbudget funds for reproduction of the mineral and raw material base, and also with the private funds of users of underground resources, is to be submitted without fail in the established form to the State Geological Fund for recording, storage, and systematization. The State Geological Fund ensures the confidentiality of information received.

The procedure and conditions for using the information on underground resources are established by the Cabinet of Ministers.

The right to own information about underground resources is protected by law.

Section 5. The Planning of Enterprises Connected With the Use of Underground Resources

Article 28. Features of Planning Enterprises Connected With the Use of Underground Resources

The planning of enterprises that mine mineral resources and process mineral raw materials, and also of underground constructions that are not connected with mining mineral resources, is carried out on the basis of confirmed reserves and the study of underground resources in the area of planned construction, taking into account the provision of technical safety and the ecological condition of the area.

The planning of underground constructions connected with the burying of harmful substances and radioactive and industrial waste is permitted only if geological, engineering, hydrogeological, and other data exists that confirms that the area is suitable for their burial.

Article 29. The Main Requirements for Planning Enterprises Connected with the Use of Underground Resources

Projects for building enterprises that mine mineral resources and process mineral raw materials must ensure the following:

the ecological and economic justification of the planned enterprises;

ways of opening and systems of developing mineral deposits that guarantee the fullest, most comprehensive, and economically expedient extraction from underground resources of main reserves and adjacent mineral resources, as well as the safety of the work force and population;

the rational use of overlaid seams and also their disposal, taking into account the properties of the seams and requirements to rehabilitate the land;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

storing, recording, and preserving incidentally mined but temporarily unused mineral resources and the products of technical processing;

the geological study of underground resources discovered in the process of building and operating underground constructions;

an assessment of the effects on the environment;

fullest use of processing waste;

ways of processing, neutralizing, utilizing, burying, and temporarily storing harmful substances, radioactive and production waste, and sewage containing harmful substances, in order to prevent pollution of the environment;

measures to localize harmful substances, radioactive and production waste, and sewage within strictly defined boundaries that prevent their penetration into neighboring underground resources, underground waters, and to the Earth's surface and atmosphere.

Section 6. General requirements for working mineral deposits, processing mineral raw materials and safe operating conditions

Article 30. General Requirements for Working Mineral Deposits and Processing Mineral Raw Materials

Working of mineral deposits is carried out in accordance with the approved projects of enterprises that mine mineral resources, the plans for development of mining work, designs and schemes for exploiting oil and gas deposits and subterranean water, and the rules for technical operation coordinated with specially authorized state administrative bodies in the sphere of mining.

When working mineral deposits and processing mineral raw materials, the following must be ensured:

no spoiling of the mineral deposits being worked or of nearby deposits and other areas of underground resources as a result of mining operations;

the preservation of mineral reserves in the underground resources;

the use of equipment to conduct surveys of seam displacement processes, deformations in the Earth's surface, buildings, and structures, and of the stability of terraces and quarry walls;

a record and monitoring of the distribution and the degree of extraction of useful components at various stages of processing mineral raw materials;

observance of the provisions stated in the second part of Article 18, and Articles 28 and 29 of this law.

Article 31. The Closure and Mothballing of Enterprises Connected With the Use of Mineral Resources

An enterprise mining minerals or a section of them, and also underground structures that are not connected to mineral extraction, will be subject to complete or partial closure and (or) mothballing in the following cases:

expiry of the term for using the mineral resources;

early termination of the right to use the mineral resources; complete exhaustion of the balance of mineral reserves, with no prospect of their increasing and no possibility of working any other reserves;

the economic inexpedience of further working the deposit or part of it;

the threat of flood or destruction of the mining excavations and also of underground structures not connected to mineral extraction, the prevention of which is technically impossible or economically inexpedient;

when there is no longer any need to use underground structures not connected to the use of mineral resources.

The closure and (or) mothballing of an enterprise or a section of it that extracts minerals, and also of underground structures not connected with mineral extraction, is implemented in accordance with the procedure established by legislation.

Until completion of the closure process and during mothballing, the user of underground resources will perform all duties connected with the use of underground resources and will bear full responsibility in conformity with the license and this law.

Article 32. Ensuring Safe Operating Conditions Connected to the Use of Underground Resources

The safety of workers, the population, and the environment must be ensured during construction, reconstruction, or operation of enterprises that extract minerals, and also of underground structures not connected to mineral extraction, during geological studies of underground resources and other works connected with the use of underground resources.

The heads or owners of enterprises are responsible for ensuring the safe conditions of work connected with the use of underground resources.

Article 33. General Requirements for Ensuring the Safety of Operations Connected With the Use of Natural Resources

General requirements for ensuring the safety of operations connected with the use of natural resources will be:

studying and implementing the norms and rules for safe operations, as well as planning and carrying out measures to prevent accidents and to deal with them;

admitting people who have special training and qualifications to operations;

providing people engaged in mining, drilling, and other operations with special clothing and individual and collective safety systems;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

using machinery, equipment, and materials that meet the requirements of safety norms and rules and sanitary norms;

keeping an account of and proper storage and utilization of explosives, as well as ensuring their correct and safe use;

carrying out comprehensive geological mine surveys and other necessary observations that are sufficient for ensuring the technological cycle of the operation and for predicting dangerous situations;

systematic control of the air in mines, its oxygen content, and any harmful and explosive gases and dust in it;

timely updating of technological documentation and plans to deal with accidents with data that defines more precisely areas where work can be done safely;

maintenance of project systems for exploiting hard mineral deposits and of projects and technological schemes for developing and equipping oil, gas, and subterranean water deposits.

It is prohibited to carry out operations connected with the use of natural resources, if their condition presents a danger to the lives and health of people.

Article 34. Mine Rescue Units and Services To Prevent and Deal With Open Oil and Gas Gushers

Mine rescue units, as well as services to prevent and deal with open oil and gas gushers, will be formed to help the users of natural resources.

Provisions on mine units and services to prevent and deal with open oil and gas gushers are approved by the Cabinet of Ministers.

Article 35. Responsibilities of Local Authorities and the Users of Natural Resources When Dealing With Accidents

In case of accidents at enterprises using natural resources, the local authorities, as well as the users of natural resources, will be obliged to provide transport, materials, and equipment, means of communication and medicine, and to render other assistance to deal with accidents.

Section 7. The Use and Protection of Underground Resources

Article 36. Basic Requirements for the Rational Use and Protection of Underground Resources.

The basic requirements for the rational use and protection of underground resources are:

observance of the procedure established by legislation of allocating underground resources for use and a ban on unauthorized use of underground resources;

providing a complete geological study of and the rational and comprehensive use and protection of underground resources;

a ban on mining mineral deposits and using underground resources for purposes other than mining minerals outside designated mining areas;

ensuring the fullest extraction of the main mineral reserves, together with adjacent mineral seams and incidental components, from underground resources;

accurate recording of reserves of extracted and remaining main mineral reserves, together with adjacent mineral seams and incidental components from underground resources during the working of mineral deposits, and also of incidental components during processing of mineral raw material;

ensuring the rational and comprehensive extraction from mined mineral resources of their industrially useable components;

protecting mineral deposits from depletion, pollution, submersion, flooding, fires, and other factors, which may damage the quality of mineral resources and the industrial value of deposits or which may complicate their exploitation;

preventing the pollution of underground resources while carrying out works connected with the use of underground resources, especially when oil, gas, or other materials and substances, as well as radioactive and industrial waste, are stored underground;

observance of the established procedure for closing and mothballing mineral mining enterprises and underground installations not connected with mineral extraction;

warning against unfounded and unauthorized building in areas where mineral resources are deposited;

preventing the accumulation of industrial and domestic waste in water collecting areas and places above sources of underground water that is supplied for drinking water or for industrial purposes;

preventing the harmful effect of works connected to the use of mineral resources on the preservation of mineral reserves, and on exploited and mothballed mining works, boreholes, and underground installations;

providing safe conditions for personnel and the population and protecting the environment from the harmful effect of works connected with the use of underground resources.

Article 37. Conditions for Building in Areas of Mineral Deposits

The planning and building of populated settlements, industrial complexes, and other economic establishments are permitted upon receipt of information that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

shows that there are no minerals in the underground resources of the site planned for building.

Building in areas of mineral deposits (except common minerals) and the construction of underground installations unconnected to mineral extraction in places of deposits are permitted in exceptional cases upon obtaining the approval of the specially authorized state bodies for managing mining, on condition that the possibility of extracting minerals from the underground resources is ensured.

Building in areas of deposits of common minerals and also the construction of underground installations unconnected to mineral extraction in places of deposits can be carried out only with the permission of local authorities if there exists a finding from a specially authorized state body for managing mining.

The aforementioned finding is not required if installations are constructed within the boundaries stipulated by sanctioned construction and planning projects.

Building in vast areas of deposits of common minerals, as well as constructing major underground installations unconnected to mineral extraction in areas of such deposits, is permitted in exceptional cases upon a decision by the Cabinet of Ministers.

Article 38. Conditions for Building in Areas Adjoining Places of Mineral Deposits

Building in areas defined below is prohibited unless the specially authorized state organs for managing mining sanction them:

areas adjacent to mineral deposits that can be used during working of the deposits;

areas adjacent to mineral deposits that may be affected by dangerous and harmful landslides and explosions carried out during work on the deposits.

Article 39. Conservation of Areas of Underground Resources That Are of Special Scientific or Cultural Value

Rare geological outcrops, mineral formations, fossils, and other areas of underground resources that are of particular scientific or cultural value can in the manner prescribed by law be declared national parks or natural or cultural monuments. Any activity that causes damage to the aforementioned national parks and monuments is prohibited.

If rare geological outcrops, mineral formations, meteorites, fossils, archaeological, and other objects of interest to science and culture are discovered during the use of underground resources, users of underground resources are obliged to halt work in the relevant area of underground resources and inform the relevant state organs.

Confiscation of areas of underground resources that are of special scientific or cultural value for national parks or natural or cultural monuments will be carried out in accordance with legislation.

Section 8. The State Inventory and Registration of Works Connected to the Use of Underground Resources

Article 40. The State Inventory and Registration of Geological Studies of Underground Resources

Geological studies of underground resources are subject to state inventory and registration.

The state inventory and registration of works are carried out by the State Geological Foundation.

Geological studies of underground resources without state registration are prohibited.

Article 41. The State Inventory and Registration of Areas of Underground Resources That Are Given for Use

Areas of underground resources that are given for use to extract mineral resources, build and operate underground installations, and for other reasons not connected to mineral extraction are subject to state inventory and registration through a single system, in accordance with the procedure established by the Cabinet of Ministers.

Article 42. The State Register of Deposits, Mineral Resources, and Products of Technical Processing

The state register of deposits, mineral resources, and products of technical processing must contain information on every deposit that describes the quantity and quality of main mineral reserves and adjacent mineral seams and their composition, and also the technical mining, technological, hydrogeological, and other conditions of working the deposit, a geological and economic evaluation of it, and information on every area of mineral resources.

For products of technical processing, the register must contain information on every stored item that describes the type or sort of product of technical processing and that indicates their quantity and quality and the technical mining conditions of their storage.

The state register of deposits, mineral resources, and products of technical processing is kept by the State Geological Foundation.

Article 43. The State Balance Sheet of Mineral Reserves

The state balance sheet of mineral reserves must contain information on the quantity, quality, and degree of study of reserves of every type of mineral resource for deposits that are of industrial significance, their location, their level of industrial development, extraction, losses, and the provision of industry with prospected mineral reserves.

The state balance sheet of mineral deposits is kept by the State Geological Foundation.

Article 44. Confirmation of Mineral Reserves

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Mineral reserves in prospected deposits and also mineral reserves discovered subsequently during the development of deposits are subject to confirmation.

Depending on the type, quantity, and quality of mineral raw materials, the reserves of mineral deposits are confirmed by the State Commission for Mineral Reserves of the Cabinet of Ministers or the Central Commission for Mineral Reserves of the State Committee for Geology and Mineral Resources.

Article 45. Writing Off Mineral Reserves

Extracted mineral resources and also mineral reserves that have lost their industrial significance, that are lost during extraction and are not confirmed by subsequent geological prospecting work, are to be written off from the balance sheet of the user of underground resources with the relevant changes made to the state balance sheet of mineral reserves.

Bodies that confirmed the write off of mineral reserves from the inventory of the user of underground resources that have lost their industrial significance or that are not confirmed by subsequent geological prospecting work or development of the deposit upon receipt of a finding from the State Committee for Geology and Mineral Resources and the State Committee for Industrial Safety and Mining Supervision.

The State Committee for Industrial Safety and Mining Supervision writes off from the inventory of the user of underground resources extracted minerals and those lost during the extraction process.

Article 46. Monitoring Underground Resources

Monitoring underground resources is a system of observing the condition of underground resources in order to discover in good time any changes in them, to assess them, and to prevent and remove the consequences of any negative processes. The structure, maintenance, and procedure for monitoring are established by the Cabinet of Ministers.

Section 9. State Control and Supervision of the Use and Protection of Underground Resources, the Geological Study of Underground Resources, and the Rational Use of Mineral Resources

Article 47. The Tasks of State Control and Supervision of the Use and Protection of Underground Resources, the Geological Study of Underground Resources and the Rational Use of Mineral Resources.

State control and supervision of the use and protection of underground resources, the geological study of underground resources, and the rational use of mineral resources have as their task to ensure observance by all users of underground resources of the established procedure for using underground resources, the norms and rules for using underground resources, their geological study, the requirements for work safety, and of preventing and dealing with their harmful influence on the population, the environment, buildings, and constructions, as well as of the rules of conducting state registration and accounts.

Article 48. The Bodies That Implement State Control and Supervision of the Use and Protection of Underground Resources, the Geological Study of Underground Resources and the Rational Use of Mineral Resources

State control and supervision of the use and protection of underground resources, the geological study of underground resources, and the rational use of mineral resources are carried out by local authorities and also specially authorized bodies for managing mining in accordance with the procedure provided for by legislation.

Article 49. Departmental Control of the Use and Protection of Underground Resources

Departmental control of the use and protection of mineral resources is carried out by the geological, mine surveying, or technical services of the users of underground resources.

Standard regulations on geological and mine surveying services are approved by the Cabinet of Ministers.

Section 10. Examination of Arguments on the Use and Protection of Underground Resources and Responsibility for Violating the Law on Underground Resources

Article 50. Examination of Arguments on the Use and Protection of Underground Resources

Arguments on the use and protection of underground resources are examined by the courts in accordance with the procedure established by legislation.

Article 51. Responsibility for Violating the Law on Underground Resources

Persons guilty of violating the law on underground resources are held responsible in accordance with law.

[signed] Islam Karimov, president of the Republic of Uzbekistan
[dated] Tashkent, 23 September 1994

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Armenia

Azerbaijan Reportedly Violates Cease-Fire

NC1810165194 Yerevan Radio Yerevan in Azeri 1430 GMT 18 Oct 94

[FBIS Translated Text] The Armenian Ministry of Defense Press Office has disclosed that Azerbaijan's military subunits fired on the defense positions around Verin-Chamaparak in Krasnoselskiy Rayon with howitzers, mortars, and large-caliber firearms from 1200 to 1300 yesterday. No one was hurt. The Armenian border guards refrained from taking retaliatory measures.

The same source also disclosed that the situation in all the other rayons on the border between Armenia and Azerbaijan was relatively peaceful last night and this morning.

According to the information we have received from the Nagorno- Karabakh Republic, the situation there is peaceful.

Diplomatic Relations Established With Eritrea

NC1810182094 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0754 GMT 18 Oct 94

[FBIS Transcribed Text] Yerevan ("LRAGIR" daily), 10/18/94—An Armenian-Eritrean communique has been signed in the Armenian Embassy in Cairo on October 16, according to which diplomatic relations were established between the two countries.

According to "ARMENPRESS", the communique was signed by RA [Republic of Armenia] Ambassador to Egypt Edward Nalbandian and Ambassador of Eritrea to Egypt Muhammad 'Ali 'Amr.

Eritrea declared its independence in 1993, after a referendum had been organized by the United Nations.

Joint Russian Firm To Rebuild Nuclear Power Station

LD1810170494 Moscow ITAR-TASS in English 1545 GMT 18 Oct 94

[By ARMENPRESS for TASS]

[FBIS Transcribed Text] Yerevan October 18 TASS—A joint building firm of Armenia and Russia has been established for working in the zone of the nuclear power station near Yerevan.

This firm was based on the "Uralsibstroy" [Ural-Siberian Construction] trust which participated in the restoration of the city of Gyumri (Leninakan) destroyed by the earthquake in 1988.

The return of Russian builders is connected with the rendering to Armenia of a credit amounting to 110 billion roubles of which 60 billion roubles are to be spent on the reconstruction of the nuclear power station and dwelling houses, and cultural and communal facilities for power engineers.

Developing Relations With Turkey Favored

TA1910104994 Ankara TRT Television Network in Turkish 2110 GMT 18 Oct 94

[FBIS Translated Text] Armenian Foreign Minister Vahan Papazyan has declared that the establishment of diplomatic relations between his country and Turkey will greatly contribute to the creation of an atmosphere of peace and stability in the region. Papazyan also stated that the talks between the sides must continue if the cease-fire in Karabakh is to be transformed into a lasting peace.

According to TRT correspondent Ahmet Yesiltepe, who is currently in Yerevan, Papazyan received a group of Turkish journalists. In a statement to the reporters, Papazyan stressed that Armenia attaches great importance to relations with Turkey and wants to develop these relations. To this end, Papazyan said, Armenia is in favor of opening the border between Turkey and Armenia as soon as possible. Pointing out that the cease-fire secured following the Armenian- Azerbaijani clashes have kindled the hopes for peace in the region, Papazyan remarked that Armenia will provide all possible support to maintain the cease-fire and achieve lasting peace.

In reply to a question, Papazyan explained that Armenia has no contact with the terrorist PKK [Workers Party of Kurdistan] organization and refrains from such actions that would contradict Turkey's interests. The Armenian foreign minister stressed that Turkey is a key country for the establishment of an atmosphere of peace and security in the region.

Azerbaijan

Aliyev Leaves for Turkic Summit in Istanbul

NC1810151494 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 18 Oct 94

[FBIS Translated Text] Azerbaijani President Geydar Aliyev left for Istanbul to take part in the summit of the heads of state of the Turkic republics. Let us remind you that the leaders of Azerbaijan, Uzbekistan, Kazakhstan, and Turkmenistan will take part in the meeting. Before the start of his visit today, the Azerbaijani president made the following statement for our program:

[Begin Aliyev recording] These summit meetings were instituted two years ago in Ankara. It is a general meeting of the Turkic-origin, Turkic-speaking republics. Its foundations were laid in Ankara two years ago in October. I consider this an important step and initiative which should continue and develop. That is why Turkey's president esteemed Suleyman Demirel is continuing with the initiative and has called for the scheduled session of this summit to be held in Istanbul today.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The presidents of these countries, including myself, gave our approval for holding this meeting and agreed to participate in it. Undoubtedly, this is an important venue for the present and future of our peoples and independent countries. That is, the existence of our peoples—the Turkic-origin, the Turkic-speaking peoples, peoples who share historic, national, and spiritual traditions, peoples who are similar to each other—as independent states, the development and consolidation of their interstate relations, and the revival of our historic heritage and past by taking advantage of these relations and bringing our peoples closer together on that basis is very important at this time of complex processes in the world.

Therefore, I am giving enormous importance to this meeting. Regardless of which documents are signed, the essence of these meetings, the exchange of views, and the contact between the presidents of these states will create opportunities to establish closer relations between our counties in economic, cultural, scientific, and other fields. That is why I accepted this invitation with great satisfaction, and I am going there with these feelings and ideas. [end recording]

Chairman of Supreme Soviet Rasul Guliyev, Acting Prime Minister Fuad Guliyev, and others saw Aliyev off at Baku airport.

Aliyev on Destabilizing Forces, Coup Attempt

LD1810151194 Moscow INTERFAX in English 1132 GMT 18 Oct 94

[FBIS Transcribed Text] On Tuesday Azerbaijan marks Independence Day. On October 18, 1991 the Azeri parliament passed a declaration of independence.

At a Monday anniversary meeting in Baku President Geydar Aliyev again spoke of the existence of forces trying to destabilize the situation in the country and plunge it into chaos. He said these very forces tried to stage a coup at the beginning of October. He stressed the need to take the most resolute measures against them, such as the recent cabinet reshuffle.

The president accused the former prime-minister Surat Guseynov dismissed on October 6 of making the cabinet a nest of crime and planning a coup.

He called for national consolidation and declared that despite all the difficulties Azerbaijan will continue advancing to independence. He was confident that Azeri armed forces would continue demonstrating vigilance and reliably defending the interests of the country.

Fugitive Guseynov Thought To Be in Russia

NC1810154994 Baku TURAN in English 1112 GMT 18 Oct 94

[FBIS Transcribed Text] Baku, October 18 (TURAN)—Everybody in Azerbaijan are presently interested in question where Suret Guseynov is staying presently? Ex-premier "disappeared" on October 12, two days before the Milli Mejlis adopted a decision to deprive him the deputy authorities and to arrest Suret Guseynov.

By that time the authorities had already arrested a lot of armed and ideological supporters of Suret Guseynov in Ganja, Yevlakh, Mingechour and other places. More than 300 people had already been arrested, according to the latest information. Some other military divisions, supporting Suret Guseynov had also been disbanded. So, ex-prime-minister became deprived of military and social support. Under such circumstances Suret Guseynov cannot stay within Azerbaijan, believe some observers. That thought is confirmed by some informed sources in the Ministry of National Security and Interior Ministry. The same sources say that Suret Guseynov is supposed be on the territory of Russia. Armed aggressions of Guseynov's supporters are suppose to start in the west or north of Azerbaijan. A certain number of illegal armed formations, which can be reinforced by Suret Guseynov's supporters are gathered in these regions, according to the information in the Interior Ministry.

The information that Suret Guseynov might be in Russia is indirectly confirmed by the fact that former commander of Russia's 104 Air-Landing Division (104 ALD), General Sherbak had set up some kind of the "Committee for the Defence of Suret Guseynov". It should be reminded that 104 ALD was the same division which had given 50 units of military hardware and a lot of ammunitions and other weapons to Suret Guseynov's supporters before withdrawal of the 104 Division from Ganja in 1993. Guseynov and Sherbak are close friends and their connections have never been a secret. So, last summer, immediately after Suret Guseynov became the prime-minister he wanted General Sherbak to be appointed on the post of Azerbaijan's Defence Minister, but the candidate was declined by Geydar Aliyev.

Vindictiveness and self love of Suret Guseynov will certainly bring to his aggressions against the present regime, believe almost all Azeri reviewers. It can be supposed that those who opposed the signing the oil contract will support Guseynov morally and financially.

And at last the alliance of Guseynov with ex-president Ayaz Mutalibov is also possible as the President Geydar Aliyev remain the first enemy for Mutalibov. The question is when and where they will start their actions.

Interior Minister Asks Help in Finding Guseynov

[FBIS Editorial Report] Baku Azerbaycan Radio Televiziyasi Television Network in Azeri at 1800 GMT on 18 October starts live broadcast of statements by Acting Prosecutor General Eldar Hasanov, Interior Minister Ramil Usubov, and Military Prosector General Nizami Tahmazov in the television studio "on preliminary investigations into the recent events in the republic."

The three officials are shown sitting behind a table. Speaking first, Acting Prosecutor General Eldar

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Hasanov says the October events "require relentless struggle against the armed bandit groups in the republic." He says the rebels who wanted to carry out a coup d'etat on 4 October were defeated, most of them have been detained, and large quantities of firearms, military hardware, and explosives have been seized from them. He says investigations into these cases are continuing. But, he adds, those leading the coup attempt are now at large. He says "urgent measures are being taken to detain and bring these persons to account."

Speaking next, Interior Minister Ramil Usupov says that the recent events "showed that Azerbaijan's independence and sovereignty is not to the liking of some at home and abroad. These events showed that there are forces inside our republic which mostly are being supported from abroad; and at every opportunity these forces try to undermine Azerbaijan's sovereignty, bring it to its knees, and make it dependent on other countries."

Usupov names former prime minister Suret Guseynov and his close comrades-in-arms as being the leaders of the 4 October coup attempt. He says although some of those who participated in the coup attempt have now been detained, some of the leaders of the coup have gone into hiding. He says the law enforcement organs are conducting searches to detain them, and adds: "Availing myself of this opportunity, I appeal to the people to help us in finding and detaining these criminals. This is because the longer they are at large, the bigger danger they pose to the Azerbaijani people and our statehood. Who are these people? In the first place: Suret Guseynov. As you know, criminal proceedings have been instituted against him. He is being sought. Ilgar Sefikhanov, the former head of Interpol: He is also being sought. Israfilov Eldar, former deputy head of a department at the Council of Ministers: He is being sought. Hasanov Eldar, former head of Ganja's Interior Department: He is facing criminal charges and is being sought. Budalov Nusret, former director of the wool factory in Yevlakh, is being sought. Tajibov Vahit, a responsible staffer at the Council of Ministers, is being sought. Mirzeyev Rafik, a staffer at the National Security Ministry, is being sought. Elikram Humbetov: Television viewers will know of Elikram Humbetov and his activities. He is being sought. Remiz Gaziyev is being sought. Baba Nezerli is being sought. And, Arif Pashayev is being sought. As you know, the last five people were whisked away from the isolation ward of the National Security Ministry and are being charged with crimes against the state. Therefore, I request that if the viewers have any information on the whereabouts and hiding places of these fugitive criminals that they telephone the following numbers." A list of telephone numbers is then given.

Military Prosecutor General Nizami Tahmazov, in his turn, says that investigation into the activities of the criminal groups in Azerbaijan is continuing. He adds that "serious measures are being taken to find and detain them. It goes without saying that society's attention and help is greatly needed in this regard." Tahmazov notes that some high-ranking officials also participated in criminal activities, mentioning the former agriculture minister, Mizamil Abdullayev, and his supporters. Tahmazov then accuses Abdullayev for having provided financial assistance to an organization in Ganja belonging to Suret Guseynov.

Tahmazov then says: "To raise a hand against a young and injured state is the greatest treason, crime, cowardice. The entire people must rise up, all our people should rise up and unite as a single fist to fight against such criminals and alien elements in defense of our state, land, and its sovereignty. They should turn them in, bring them before the people's court, and help in exposing the real essence of such people."

Tahmazov adds that already people are phoning in and helping the investigation. He adds: "With their help it has been ascertained that a group of people have found quarters around Ganja and in nearby places. Large amounts of arms and various military hardware were seized during searches of their homes. Imagine what was found at the Ganja home of former prime minister Suret Guseynov. A considerable amount of arms and military hardware was found hidden inside a wall. It has been ascertained that there were 21 automatic guns, many mortars, more than 25 cartridges, and various other weapons. Imagine being a prime minister and turning your house into an arms depot." Tahmazov adds that the home of Mizamil Abdullayev is like a museum, and goes on to criticize unnamed people for amassing riches while some Azerbaijani people are living in grim conditions and in tents. He says such a crime cannot be forgiven by anyone, and adds: "I call on all you to wage an struggle against such people, and I request that we unite all our forces."

Interior Minister Usubov speaks next and says that so far "more than 150 automatic weapons, 16 machine guns, four mortars, 100,000 items of assorted military hardware have been seized, and criminal proceedings have been instituted against scores of people for illegal arms possession. In this connection, I again want to appeal to the citizens and want to inform them that those who voluntarily turn in their illegally-held arms to the law enforcement organs are being exempted from criminal charges. I request all citizens who have such arms to turn them in to the nearest police and prosecutor's organs."

Finally, Acting Prosecutor General Hasanov says the criminals involved in the coup d'etat will not be able to hide for long, and vows that Azerbaijan's law enforcement organs will certainly find and bring them to justice. He warns that illegal arms pose a danger to Azerbaijani statehood and the people. He calls on everyone not to remain indifferent to the situation and to help in the struggle against the criminals.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Georgia

Defense Ministry Responds to 'Alternative' Doctrine

MM1810102594 Moscow KRASNAYA ZVEZDA in Russian 18 Oct 94 p 1

[Report by Vitaliy Denisov: "Georgia Does Not Yet Have Military Doctrine. But There Are Alternative Drafts"]

[FBIS Translated Text] The draft of Georgia's military security doctrine has been published. The document was prepared by a group of independent authors including Tengiz Kitovani, the republic's former defense minister, and parliamentary deputy Irakliy Surguladze. It is notable that Russia is viewed by the draft's creators as Georgia's potential enemy.

The alternative military security doctrine draft to that elaborated by the Defense Ministry has generated an extremely adverse assessment from the Georgian Defense Ministry leadership. Your KRASNAYA ZVEZDA correspondent was told at the military department's press center that the draft of Georgia's military doctrine prepared by Defense Ministry specialists will very soon be examined at the ministry's collegium.

Russian Troops Begin Patrols of Kodor Gorge

LD1810151994 Moscow INTERFAX in English 1132 GMT 18 Oct 94

[FBIS Transcribed Text] On Wednesday [19 October] Russian peacekeepers in Abkhazia will begin regular patrolling of Kodor Gorge, the commander of the force Vasiliy Yakushev told Interfax.

According to him, all the military hardware discovered by the peacekeepers in a recent operation in the gorge was destroyed in the presence of Georgian and Abkhazian representatives. On Tuesday the Georgian army should withdraw the three last howitzers from the gorge, Yakushev said.

He said that the second inspection of the gorge from the air scheduled for Tuesday was put off by several days because of bad weather.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Estonia

Defense Minister, NATO Commander Meet

WS1910110494 Tallinn BNS in English 1806 GMT 18 Oct 94

[FBIS Transcribed Text] Tallinn, Oct 18, BNS—The Commander in Chief of Allied Forces Northwestern Europe, Richard Johns, met with acting Estonian Defense Minister Enn Tupp in Tallinn on Tuesday [18 October].

Johns and Tupp at the meeting focused on prospects of cooperation between Estonia and NATO after the withdrawal of Russian troops from Estonia. The parties at the meeting pointed out that Estonia needed to pay biggest attention to rationally spending the funds that the country has for building up its armed force structure, with particular emphasis on working out a defense concept. They also said a political consensus had to be reached on the size of military spending.

When answering a question by the Estonian defense minister about what could Estonia offer to NATO, Johns said: "Friendship."

Tupp also said that the more positive signals came from the West regarding Estonia's cooperation prospects with NATO and the Western European Union, the more confident the country could be of its ability to defend itself and mobilize its economic and intellectaul resources for the needs of state defense.

The main goal of the visit by the senior NATO commander to the Baltics was to witness firsthand the developments in the region and to suggest later to the NATO leadership ideas for working closely with the Baltics.

Air Chief Marshal Sir Richard Johns moved to the appointment as Commander in Chief, Allied Forces Northwestern Europe on Aug. 1, 1994.

Sweden To Aid Russian Military Departure

WS1910113694 Tallinn BNS in English 2031 GMT 18 Oct 94

[FBIS Transcribed Text] Tallinn, Oct 18, BNS—Swedish Foreign Minister Lena Hjelm-Wallen, on a visit to Estonia, reiterated his country's position on Tuesday [18 October] that providing financial aid to retired Russian military wishing to leave Estonia was one way how Sweden was set to help that Baltic country.

Expressing a position that is consistent with what has been earlier said by the foreign minister of Sweden's previous government, Margaretha af Ugglas, Hjelm-Wallen told Estonian leaders Sweden would help to finance clearing off environmental pollution in the area of a former Russian base at Paldiski.

The Swedish Foreign Minister had meetings on Tuesday with President Lennart Meri, acting Prime Minister Mart Laar and acting Foreign Minister Juri Luik.

Hjelm-Wallen said the new Swedish Government's clear intention was to further improve relations between the two countries. Her Estonian counterpart, Juri Luik, at a joint press conference after the meetings in Tallinn said Sweden had announced it would contribute the equivalent of about one million U.S. dollars to both the Russian army pensioners fund and for cleaning up the environment in and around Paldiski.

Luik said also some other countries had said they would give money to the fund. But he declined to elaborate or mention the size of financing by other foreign governments.

The two ministers at their meeting touched upon the issue of the tragic sinking of the Estonia ferry. They also visited a memorial site overlooking the Tallinn harbour area and laid a wreath to the victims of the disaster. Luik said the governments of both countries had decided to build monuments to the victims of the tragic accident. The Swedish Government at its meeting later this week is scheduled to discuss matters related to the possible refloating of the hull of the Estonia ferry. Hjelm-Wallen said the government would not link its decision to the financial or technical aspects of the operation. "The issue here is about dignity and respect for the dead," the Swedish minister said.

Also discussed at the meeting was the prospect of introducing visa-free travel between the two countries. Luik in his comments on the issue said visa-free travel regulations required a longer process to be enacted and its was for this reason that no definite date could be mentioned.

The foreign ministers also discussed other topics such as the countries' working closely in international organizations, particularly in the United Nations and CSCE, as well as Estonia's relations with Russia.

Latvia

Ulmanis, Portuguese President Hold News Conference

LD1810195494 Riga Radio Riga Network in Latvian 1400 GMT 18 Oct 94

[FBIS Translated Text] A two-day state visit by Portuguese President Mario Soares and his wife Maria Soares to Latvia has ended. During the visit, Soares met Latvian State President Guntis Ulmanis, Prime Minister Maris Gailis, Foreign Minister Valdis Birkavs, Parliamentary Speaker Anatolijs Gorbunovs, heads of parliamentary factions, Chairman of the Riga City Council Maris Purgailis, and other officials.

The two presidents informed reporters in greater detail about results of the visit at a news conference held today. First of all here is Latvian State President Guntis Ulmanis:

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Begin Ulmanis recording] I would like to stress the fact that Latvia has obtained one more like-minded partner—one more country which has always understood Latvian politics and Latvian history. I would like to stress that Portugal has never recognized Latvia's incorporation into the composition of the USSR, that Portugal recognized Latvia after 1918, and was one of the first to recognize the courage of Latvia in first days of its awakening.

We talked about issues which are currently of importance to vital Baltic interests. I am saying Baltic, because at the very beginning we agreed that the Baltic region is the place which is of interest to Portugal and which has Portuguese support. In this case we talked about joining various European institutions and received full support here.

We talked about economic problems and particularly about those related to joining the European Union—the fate of agriculture and private farming. The Portuguese side warned us that joining the European Union will not only not be a bed of roses, but also there will be problems that will painfully affect both the economy of our state and relations of our state with other countries.

We discussed issues which touch on further Portuguese relations and what is usually called a friendship and cooperation agreement. Here I have to point out to you, though, that my counterpart, President Soares, views this title—a friendship and cooperation agreement—very skeptically. He rather put forward to me to develop specific measures on all individual issues and to altogether abstain from populist methods, which, he described, were perhaps characteristic of the socialist system and post-socialist states.

We both agreed that Latvia's aspirations to join European and trans-Atlantic economic and military structures may promote stability and security in the Baltic region and Europe as a whole.

Portugal has understood in principle our endeavors to carry out our reforms and one of the future stages of cooperation could be related to exchange of experience in implementing such reforms. Acquainting ourselves with Portuguese history and its development in the last 50 years, we can see how difficult and important was the stage which the Portuguese state has gone through. And to a certain extent with envy I asked how during the past years the government has remained solidly in the driver's seat for more than six years and also gaining [words indistinct] success. I think that this is the experience which we also have to adopt implementing our reforms and also joining European institutions. The issue of Portugal receiving rather substantial material support, which allows it to stabilize both internal and external policy situation, when joining the European Union is not unimportant either. The Latvian side would also have to draw certain experience and lessons in future from this.

I would like to note that both of us agreed that both the government and the parliament were actively taking part in these talks and the future sequence of events will be closely related to agreements which will be implemented among themselves by both the government and the parliament. [end recording]

[Announcer] You heard Latvian State President Guntis Ulmanis. But further on the recording there is an excerpt from what Portuguese President Mario Soares has said.

[Begin Soares recording, in Portuguese, fading into superimposed Latvian translation] We are here to express Portugal's solidarity with Latvia. And we also admire the efforts made by Latvia to integrate into the market economy. We have agreed to assist however we can. We are considering many specific ways to put this support into concrete form. I hope that this visit will be able to strengthen these links at all levels, primarily in the economic sphere, establishing contacts between Portuguese and Latvian enterprises, and establishing joint ventures, as well as developing investments by Portuguese enterprises here. We saw on this visit to the academic library that we can send to Latvia good specialist information for computerization in libraries, and for the restoration of old manuscripts in that library that are in poor condition. We have donated to this library in the name of the Portuguese state the works of many Portuguese authors. We would very much like to establish links between the universities. We support the entry of Latvia into the Council of Europe. We support the participation of Latvia in this partnership system of the NATO. We support Latvia concluding an associative agreement with the European Union. We respect the new political situation that exists here, the observation of (?freedoms) and human rights. [end recording]

[Announcer] I will just add here that the president of Portugal, Mario Soares, has invited Latvian State President Guntis Ulmanis to visit Portugal.

Joint Statement Issued on Visit

LD1810133694 Riga Radio Riga Network in Latvian 1200 GMT 18 Oct 94

[FBIS Translated Text] Portuguese President Mario Soares' visit to Latvia introduces a new stage in relations between the two countries, a joint statement circulated by the Portuguese president and the Latvian president says. It is envisaged after this visit to draw up proposals for strengthening the inchoate cooperation between the two states.

Soares once again confirmed that Portugal will support Latvia joining the Council of Europe and Latvian political activities in connection with the European Union and NATO, explaining that he respects and honors the new political situation in Latvia—freedom and observance of human rights.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia Gives Imprecise Information on Servicemen

WS1810155194 Tallinn BNS in English 1313 GMT 18 Oct 94

[FBIS Transcribed Text] Riga, Oct 18, BNS—None of Russia's handed in lists of Russian servicemen, staying in Latvia, is precise and complete, Latvian Citizenship and Immigration Department (CID) Deputy Director in Visas and Immigration Issues Ugis Sulcs told BNS.

Russia's handed in list of 22,320 retired servicemen, who according to the Latvian-Russian agreements have rights to stay in Latvia, includes around 600 servicemen, who were retired after Jan. 28, 1992, said Sulcs.

As reported, according to these agreements, servicemen who were demobilized after the above mentioned date, had to leave Latvia by Aug. 31, 1994. In return, 28 military pensioners who have rights to stay in Latvia are not included in Russia's list at all. Sulcs said that these pensioners possibly have counterfeited their documents, but it would be difficult to prove that. It is possible that Russia has special intentions why it has not included these persons in the list.

CID officials are surprised that the employees of the former Soviet security police KGB are not mentioned among the retired servicemen.

Russia's handed in list of 1,115 servicemen who stay in Latvia illegally after Aug. 31, 1994, is not complete, because 1,342 of such persons are discovered in Latvia now.

Sulcs noted that 52 percent of the 300 servicemen, who according to Russian-American agreement would receive benefits of 20,000 U.S. dollars for obtaining floor space, have never had legal stay permits. Sulcs suggested that these servicemen have stayed in Latvia illegally or thay have never really been staying in Latvia, but certain Russian army officials have used their names to get the benefits from the United States.

Presently, 10 manual databases are compared to determine the status of all the servicemen who have been connected with Latvia. The comparing goes on very slowly, because the Cabinet has not assigned the necessary sum of money for it, said Sulcs.

At the moment, CID holds information about 47,284 Russian servicemen. Sulcs said that regular checkups are performed in Latvia by policemen, home guards and CID employees to find illegally arrived persons.

In return, several tens of servicemen who have no legal stay permits arrive daily in CID to receive permits for legal arrival to Latvia and officially solve matters, related to their departure.

External Debt Reaches 175 Million Lats

WS1710130094 Tallinn BNS in English 1512 GMT 15 Oct 94

[FBIS Transcribed Text] Riga, Oct 15, BNS—Latvia's external debt has reached 175 million lats, External Resources State Minister Indra Samite said Friday [14 October] at a press conference. Samite prognosticated that by the end of 1994 Latvia's external debt could increase to 220 million lats. The law On State Budget and Finance Management says that the permissable state external loan is 251 million lats.

Latvia has received 40 million U.S. dollars from the G-24 credits, and by the end of the year this sum will increase to 55 million U.S. dollars. Auditing of G-24 credits' usage will be performed by Nov. 30. It is already clear that the Zilites farm and the Lejietes individual enterprise will not be able to pay off their debts of 0.5 million U.S. dollars each and the Mazupnieki farm—its debt of 0.2 million U.S. dollars.

The state external debt includes all foreign credits granted to Latvia, but it excludes the possible credits, which Latvia could receive in case of signing the drafted credit agreements, said Samite.

Future for Salaspils Nuclear Reactor Viewed

WS1710153094 Riga DIENA in Latvian 3 Oct 94 p 4

[Article by Janis Domburs and Arnis Krauze: "Will the Salaspils Nuclear Reactor Be Dismantled"]

[FBIS Translated Text] The nuclear reactor for scientific research in Salaspils is one of those things which was kept strictly secret in the times of the Soviet Union. Another such place—the Skrunda "monster"—will soon be dismantled, and most probably the same fate awaits the Salaspils reactor. From the formerly employed 240 specialists, only 18 now remain. The management, however, tries to maintain some sense of optimism.

The Liquidation of the Reactor Will Cost 30 Million Lats

"We agree with your proposal to cease the operation of the Salaspils nuclear reactor in the next few years," says a letter dated 22 July from the Ministry of Education, Culture, and Science, addressed to the Ministry of Environmental Protection and Regional Development, where the discussions on this theme already began in April, in the office of [Environmental Protection] Minister Indulis Emsis. In summer, a draft decision of the Cabinet of Ministers was prepared, foreseeing that a Fund for Liquidation of the Nuclear Reactor will be established, under the control of the Ministry of Finance. "Nuclear energy is no longer popular in the world, so therefore I do not see a future for the Salaspils nuclear reactor in Latvia," said Juris Avotins, deputy chief of the Education and Science Department in the Ministry of Education, Culture and Science, who worked during the seventies at the secret—in those times—facility, built in 1961. If the government accepts the decision to liquidate the reactor, it will cost the Latvian state 30 million lats. In comparison, for the total needs of science in Latvia, six times less money was earmarked in 1994—5 million lats... However, if the operation of the Salaspils reactor would be prolonged, for example, for the next 20 years,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

it would mean an investment of 60 million lats for that period, and later an additional 30 million for the dismantling of the site. Juris Avotins is of the opinion that Latvia should choose the first variant, which will cost the taxpayers and the state much less. The decision, however, must be made by the government and the legislature.

The Uranium Reserves Will Last for Two Years

The amount of radioactive material—including, first of all, the uranium which is the main raw material for the reactor—will allow the reactor to operate until the end of 1996. Gatis Kruze, chief nuclear security inspector in the Ministry of Environmental Protection, does not see any future for the Salaspils reactor in Latvia after 1996. The existence of the facility would be justified if Latvia was planning to develop its own nuclear technology. Up to now, however, no one has heard about any plans to build a nuclear power plant in Latvia. According to Kruze, there is a movement in the world toward closing these types of reactors, and many countries have already done so. The reasons for this are high costs and dilapidated equipment. In addition, personnel working at the reactor are getting old. The number of young specialists employed in Salaspils is shrinking constantly because of the low salaries.

Plans To Build Nuclear Power Plant in Latvia Do Not Exist

Nuclear scientists—in contrast to the "greens"—are of the opinion that the future in Latvia belongs to nuclear power. Kruze stated that he is not against the building of such a facility, but in that case, a detailed prospectus would have to be drawn up by power engineers. "I personally supported this idea, because Latvia would not have been forced to buy energy from other states," recalls Dzintars Kalnins, chief engineer of the reactor. According to him, this project has not been postponed as yet, but at the present moment, Latvia is lacking money to fulfill it. Kalnins expressed the view that the Salaspils reactor could serve as a base for training young specialists, if the nuclear power plant was ever built. For the time being, however, the Latvian energy specialists have not foreseen the building of such a facility in their plans covering the period up to the year 2010.

Amber Irradiated at Salaspils Is Favorite in Hong Kong and Malaysia

At present, some rather strange jobs are being performed by scientists at the Salaspils nuclear reactor. Here (this is the only place in Latvia where it is being done) medical subs[illegible]es are being sterilized by using special equipm[illegible]. Orders from abroad are the main source of earning add[illegible]al means of existence. Amber from the Baltic sea, irradiated at Salaspils, is actually in great demand in Hong Kong, Malaysia, and other countries of that region. After irradiation, it takes on a very special shade, color. At the same time, scientific research is being conducted continuously. Dzintars Kalnins, chief engineer of the Salaspils nuclear reactor, is of the opinion that the Salaspils facility is practically unique, because functions carried out by it cannot be accomplished by any other reactor in the world. Thanks to him, this unique facility could continue to function in Latvia, on the condition that additional funds would be allotted for its renovation. If the reactor were shut down, there would no longer be the possibility to manufacture radioactive substances in Latvia, and to import them from abroad would cost a lot of money. "For example, Latvia receives medicine from Finland in the form of humanitarian aid, but as soon as we close down the Salaspils reactor, they will start to sell them to us," Kalnins said. He thinks that the Western countries will soon request payment for their aid.

In Salaspils, 20 kg of Uranium Is Stored, in Riga—0.5 Kg of Plutonium

Up to now, uranium—the basic fuel for the reactor—was delivered from Russia. The last delivery from the eastern neighbor arrived in 1986. The is currently some 20 kg of spent uranium stored in Salaspils. For the time being, it does not cause anxiety among the specialists, but even the spent uranium has a certain amount of radioactivity and it would be better, if it was stored in Russia or some other country where there are special depositories for this kind of stuff. The director of the Salaspils reactor, Antons Lapenas, and Chief Engineer Dzintars Kalnins have recently returned from Russia. They met with officials of the Russian Energy Ministry, who did not deny the possibility of bringing the spent uranium to Russia; that would cost Latvia 500,000 lats... The Latvian uranium was also offered to specialists from the United States and Sweden, but they did not accept the proposal.

Besides the Salaspils reactor, there are two other objects which remain under the permanent control of radiation specialists and the Inspectorate for Nuclear Security. The Plant of Radioisotope Apparatus on Ganibu street in Riga, has recently been put out of operation. There is still 0.5 kg of plutonium being stored there. The area is guarded at only the main entrance. At the present moment, the electricity has been disconnected, and due to this, the alarm system does not work. The above situation, which could never appear in any Western country, caused amazement among journalists from Germany—the country of a recent nuclear scandal— who prepared a report on radioactive material security in Latvia, for the German television station ZDF. In the immediate future, the substance is to be taken away from the center of town and stored in Baldone, in the "Radons" state enterprise. This "cemetery" of the radioactive material is financed by the state, and its security does not cause anxiety among specialists.

The West Is Not Satisfied With Nuclear Security in Latvia

Nuclear security in Latvia does not only shock journalists, but also foreign specialists, and this is the reason

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

why Latvia cannot join the convention on physical protection of nuclear material. Between 12 and 15 September, specialists from the United States and Sweden visited Latvia, to help prepare a program of technical aid. Andris Salmins, chief expert of the Environmental Protection Department, explained that the old protection systems are still in place, but if they are not modernized, a situation may arise when Latvia will not be able to fulfill obligations stemming from the agreement on nuclear nonproliferation.

In the number-one Latvian facility—the Salaspils reactor—there are alarm systems being used which, in foreign countries, could only be applied for protecting a parking lot. Dzintars Kalnins expressed the view that modernization of the equipment would not need much money. But this—in his opinion—is the price that should be paid to maintain the Salaspils reactor and not to destroy the framework of nuclear physics in Latvia.

Lithuania

Brazauskas on Development of Polish Relations

WS1810111294 Tallinn BNS in English 1857 GMT 17 Oct 94

[FBIS Transcribed Text] Vilnius, Oct 17, BNS—Last week's ratification of the Lithuanian-Polish political treaty laid a good foundation for further development of relations between the two countries, Lithuanian President Algirdas Brazauskas said in his traditional radio interview Monday [17 October].

Brazauskas said Lithuania and Poland will soon begin talks on a free trade agreement, will seek to regulate frontier relations and to expand cultural cooperation.

"The world sees that Lithuania and Poland continue the process of reconciliation between nations that started after World War II," Brazauskas said. In his view, the accord is a significant fact for both countries in approaching their common aim—a unified Europe and membership in the European Union.

Current Issues Discussed With Poland

LD1810121094 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 18 Oct 94

[FBIS Translated Text] Algirdas Brazauskas, president of Lithuania, will pay an official visit to Poland at the beginning of next year. This agreement was reached by the Lithuanian and Polish leaders Brazauskas and Walesa during their telephone conversation yesterday.

According to the president's spokesman for the press, Polish President Lech Walesa stressed that Algirdas Brazauskas was most welcome. Both presidents gave high appreciation of the Lithuanian-Polish treaty and stressed that it opened new enormous possibilities not only in their bilateral relations but also on the common path to Europe, which is becoming united.

The Lithuanian president supported the idea proposed by the Polish president during his visit to Lithuania last April to hold Lithuanian-Polish round table discussions and to discuss practical issues of bilateral economic cooperation including border crossing, work of customs houses, power engineering, transport and investment.

Some pressing issues of national minorities of both countries and concrete possibilities for their solution were discussed by the presidents. The leaders of both countries supported the idea that cooperation between all the countries of Central Europe that aspire to become members of the European Union should be stepped up, especially the cooperation between the Vyshegrad countries and the Baltic states, Baltic News Service reported.

UN Commissioner States Human Rights Respected

WS1810125794 Tallinn BNS in English 1023 GMT 18 Oct 94

[FBIS Transcribed Text] Vilnius, Oct 18, BNS—U.N. High Commissioner for Human Rights Jose Ayala Lasso says human rights and other democratic values are respected in Lithuania, although some internal laws do not yet fully correspond to international norms and the death penalty has not been abolished.

Lasso, who came to Lithuania Sunday for a two-day visit, noted that human rights are not observed absolutely perfectly in any world country. The U.N. official told reporters in Vilnius Monday that Lithuania should nevertheless abolish capital punishment and create a court of appeals before the step is made.

Lasso said he told Lithuanian Government officials that Lithuania should ratify all U.N. documents related to human rights. The U.N. high commissioner pointed out conventions on racial discrimination, torturing, protocols on capital punishment, refugees and persons without citizenship.

Lithuanian Foreign Minister Povilas Gylys, who spoke at the same press conference, said Lithuania's international image is good with regard to human rights. Gylys said the existing situation is not perfect yet, but Lithuania aspires to "high modern standards."

On Sunday, Lasso met with representatives of several non-governmental organizations and national minorities. In his words, the meeting was "constructive and useful."

Lasso said he was pleased to learn that the Lithuanian Government is willing to cooperate with the U.N. commissioner for human rights and promised to render every possible kind of assistance.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Government Discusses 1995 Budget, Expenditures

WS1410110494 Tallinn BNS in English 1651 GMT 13 Oct 94

[FBIS Transcribed Text] Vilnius, Oct 13, BNS—Lithuania's planned budget deficit in 1995 will be 1.6 percent of the Gross Domestic Product, or 0.6 percent bigger than the deficit planned for this year, according to a draft budget approved in principle by the government Wednesday [12 October].

The draft provides for a GDP of 18.2 billion lits in 1995, 26 percent of which will be redistributed through the budget. But before the proposed budget is submitted to the parliament for consideration, the government intends to review expenditures. The draft budget must be presented to lawmakers by Oct. 15.

The revenues planned for next year stand at 2.9 billion lits, expenditures make up nearly 3.2 billion. According to the draft, expenditures exceed revenues by 297 million lits. Deputy Finance Minister Reinoldijus Sarkinas said the expenditures part of the draft budget is likely to change because the government will seek to shrink budget outlays as much as possible.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.